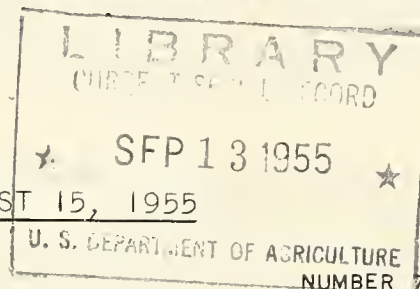


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Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, AUGUST 15, 1955

VOLUME 71

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

GERMAN OUTPUT OF ORIENTAL AND FILTER-TYPE CIGARETTES CONTINUES UPWARD

According to information contained in Die Tabak-Zeitung (Tobacco Gazette-Mainz) of June 24, the output of oriental and filter-type cigarettes represented 17.1 and 8.6 percent, respectively, of the total output during the month of May 1955. The output of these types of cigarettes has been increasing steadily since 1951. The production of these two types of cigarettes accounted for the following percentages of total output during the periods of January-June and July-December of 1954 compared with January-May of 1955--oriental type, 14.9, 15.3, and 16.7; and filter-type, 4.9, 5.8, and 8.1.

Production of cigarettes in the Republic of Germany during January-May of 1955 totaled 17.3 billion pieces...up 13 percent from the 15.3 billion produced during the corresponding period of 1954. American-type blended, straight Virginia and dark-type cigarettes each continued to decline through May in proportion to total output but increased in output volume.

Output of cigarettes in the 10 pfennig price class and above (2.38 U.S. cents) per piece represented 17.8 percent of the total output during the first five months of 1955 as compared with 15.3 percent for the corresponding period of 1954, indicating a strong consumer demand and preference for better quality cigarettes. Output of cigarettes in the 8 1/3 pfennig price class (1.99 U.S. cents) per piece continued to comprised about 78-80 percent of total output.

FOREIGN CROPS AND MARKETS

Published weekly to assist the foreign marketing of U. S. farm products by keeping the nation's agricultural interests informed of current crop and livestock developments abroad, foreign trends in production, prices, supplies and consumption of farm products, and other factors affecting world agricultural trade. Circulation is free to persons in the U. S. needing the information it contains.

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BRAZILIAN TOBACCO EXPORTS UP 17.6 PERCENT

Exports of Brazilian leaf during 1954 totaled 61.9 million pounds--up 17.6 percent from the 52.6 million pounds exported in 1953, but were below the 67.1 million pounds exported in 1952. The largest market for Brazilian leaf during the past 3 years has been the Republic of Germany. Spain, the Netherlands, Denmark, Uruguay, and Switzerland ranked next in order of importance. Exports to Sweden and France have been increasing while Algeria and Indochina have reduced their takings of Brazilian leaf.

Brazil: Exports of leaf tobacco, 1952-54.

Country of Destination	1952	1953	1954
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>
German Republic.....	19,328	11,629	16,023
Spain.....	12,079	6,602	10,523
France.....	276	3,500	3,121
Netherlands.....	6,676	7,136	6,383
Denmark.....	4,740	3,404	5,122
Sweden.....	817	1,053	946
Switzerland.....	6,662	2,518	4,426
Indo-China.....	2,074	1,909	1,029
Algeria.....	2,715	2,230	1,968
Uruguay.....	4,047	5,027	4,455
United States.....	1,097	2,421	1,070
Other.....	6,584	5,203	6,806
Total	67,095	52,632	61,872

Source: Mensario Estatistico - Servico de Estatistica Economica e Financeira.

RETAIL TOBACCO TRADE DEVELOPMENTS IN FRANCE

The French Tobacco Monopoly plans to introduce a king-size "Balto" cigarette on the market and retail "High Life" cigarettes in packages of 20, instead of 10, under the name of "Rallye", according to Harold L. Koeller, Acting Agricultural Attache, American Embassy, Paris.

The "Balto" brand is the leading American-type cigarette of the two produced by the French Monopoly. The "High Life" brand is an English type (straight Virginia) cigarette. The output of these two brands during 1953-54 accounted for 2 percent of the total cigarette output. Also, the Monopoly plans to introduce a new brand of cigars to retail at 50 francs (14.3 U. S. cents) each, and to merchandise chewing tobacco in cellophane packages for the first time. The new products, according to the report, will probably not appear in the retail market before the end of the year.

SYRIAN COTTON ACREAGE AND PRODUCTION SUBSTANTIALLY INCREASED

Cotton production in Syria for the 1954-55 marketing year amounted to 366,420 bales (500 pounds gross), according to information from Carleton S. Coon, Second Secretary, American Embassy, Damascus, reflecting reliable trade reports. The 1954-55 crop was 67 percent larger than the 1953-54 crop of 220,000 bales; and was produced on 462,810 acres; of which nearly 262,000 acres or 57 percent were irrigated.

Reports indicate that irrigated cotton acreage may reach 325,000 acres in 1955-56, about 24 percent larger than such acreage in 1954-55. Although some decrease in nonirrigated cotton acreage and production is probable, Syrian cotton production in 1955-56 is expected to be about 20 percent larger than a year earlier, reaching 430,000 to 440,000 bales. However, threats of insect damage to the growing crop appear to be serious in some areas.

Average yield of the entire Syrian crop in 1954-55 was 380 pounds of lint per acre; the average for the irrigated portion amounting to approximately 560 pounds of lint per acre. Such yields reflect modern cultural practices.

Cotton exports from Syria currently represent a sizable portion of the country's balance of payments. One serious impediment to exports of cotton, cotton textiles and other commodities and to foreign trade in general is shortage of bank credit.

1954-55 WORLD CITRUS PRODUCTION

The upward trend in the world production of oranges was temporarily halted during the 1954-55 season. North American countries continued to increase, but there was an 11-percent decrease in the Mediterranean area. Most of this decrease was in Spain where the trees have not fully recovered from the severe frost damage of 1954. Plantings of oranges are continuing in most areas and with the young trees increasing in productive capacity, it is likely that the general upward trend in production will continue for the next several years.

The world production of grapefruit has ranged from 44 to 54 million boxes since 1950. The 1954-55 crop is 11 percent below that of last year because of the substantial decrease in the United States. Production in the United States accounts for about 90 percent of the world crop.

The lemon crop is 10 percent smaller than last year with most of the major producing areas showing a decrease. The crop in Spain was down almost 50 percent from the previous year. Production in Turkey continued the sharp upward trend; but it is still below a million boxes.

Commercial lime production is concentrated in Mexico, Egypt, and the United States. Production in the United States and in Mexico has shown a sharp upward trend. Due primarily to the interest in frozen lime concentrate, lime production in the United States is likely to continue upward.

CITRUS FRUIT: Production in specified countries,
average 1935-39 and 1945-49, annual 1951-54

Area	ORANGES, including TANGERINES					
	Average 1935-39:1945-49:	1951	1952	1953	1954	1/
	- - - - 1,000 Boxes - - - -					
NORTH AMERICA						
Mexico.....	4,761:	11,296:	15,818:	16,814:	17,545:	18,897
United States.....	67,034:	109,997:	122,590:	125,030:	130,930:	135,835
Cuba.....	1,050:	1,200:	1,500:	1,750:	2,000:	1,625
Dominican Republic.....	401:	487:	700:	469:	475:	460
Jamaica.....	435:	727:	591:	781:	660:	*700
Puerto Rico.....	807:	847:	723:	505:	783:	*800
Trinidad and Tobago.....	55:	115:	170:	226:	110:	275
British Honduras.....	2/:	2/:	12:	12:	80:	80
Total.....	74,543:	124,669:	142,104:	145,637:	152,583:	158,672
MEDITERRANEAN AREA						
Greece.....	1,470:	1,870:	3,338:	3,789:	4,190:	4,745
Italy.....	11,701:	12,239:	18,408:	20,178:	21,252:	18,459
Spain.....	24,167:	23,811:	32,776:	43,157:	44,124:	35,000
Cyprus.....	441:	479:	754:	591:	986:	*1,000
Iran.....	504:	1,616:	1,323:	1,417:	1,417:	1,102
Lebanon.....	3/ 1,093:	1,269:	1,949:	2,107:	2,214:	1,962
Israel.....	4/ 8,652:	8,300:	6,708:	6,373:	9,549:	7,513
Syria.....	5/:	78:	95:	100:	78:	*70
Turkey.....	1,119:	1,256:	2,561:	3,093:	2,830:	4,378
Algeria.....	3,168:	4,973:	8,185:	6,741:	10,284:	10,484
Egypt.....	6,373:	6,586:	8,263:	9,668:	9,398:	8,457
French Morocco.....	3,927:	3,124:	5,537:	6,693:	5,442:	6,280
Tunisia.....	239:	631:	724:	764:	1,253:	1,059
Total.....	59,854:	66,332:	90,621:	104,671:	113,017:	100,509
FAR EAST						
Japan.....	15,895:	8,396:	11,108:	18,263:	13,196:	20,219
Formosa.....	897:	963:	900:	665:	907:	*920
Philippines, Rep.....	195:	296:	283:	255:	300:	*300
Total.....	16,987:	9,655:	12,291:	19,183:	14,403:	21,439
SUB-TOTAL						
No. Hemisphere	151,384:	200,656:	245,016:	269,491:	280,003:	280,620

Continued.....

CITRUS FRUIT: Production in specified countries;
average 1935-39 and 1945-49, annual 1951-54

Area	ORANGES, including TANGERINES (Continued)					
	Average		1951	1952	1953	1954 <u>1/</u>
	1935-39	1945-49				
- - - - 1,000 Boxes - - - -						
SOUTH AMERICA						
Argentina.....	9,212	10,800	11,100	11,800	12,800	*13,000
Bolivia.....	3,000	3,200	4,000	4,300	4,300	*4,300
Brazil.....	34,466	33,153	34,752	35,099	35,934	34,474
Chile.....	250	696	945	1,102	472	945
Ecuador.....	582	299	170	175	209	*200
Paraguay.....	5,000	5,000	3,750	5,200	5,200	*5,200
Peru.....	1,000	1,200	2,413	1,965	2,710	3,000
Surinam.....	20	182	230	187	195	200
Uruguay.....	1,300	2,110	1,402	1,276	1,606	1,260
Total.....	54,830	56,640	58,762	61,104	63,426	62,579
OTHER SO. HEMISPHERE						
Union of So. Africa	4,000	5,536	5,423	6,703	7,650	8,014
Australia.....	2,735	3,394	3,664	3,867	2,980	3,225
New Zealand.....	23	9	17	15	12	12
SUB-TOTAL						
SO. HEMISPHERE	61,588	65,579	67,866	71,689	74,068	73,830
WORLD TOTAL						
	212,972	266,235	312,882	341,180	354,071	354,450

CITRUS FRUIT: Production in specified countries;
average 1935-39 and 1945-49, annual 1951-54

Area	GRAPEFRUIT					
	Average		1951	1952	1953	1954 <u>1</u> /
	1935-39	1945-49				
- - - - 1,000 Boxes - - - -						
NORTH AMERICA						
United States.....	31,787	53,326	40,500	38,360	48,370	42,220
Cuba.....	375	138	230	200	240	190
Jamaica.....	213	336	257	336	351	*350
Puerto Rico.....	448	500	525	525	525	*500
Trinidad and Tobago:	174	390	337	700	396	660
British Honduras...:	2/	2/	345	335	200	315
Total.....	32,997	54,690	42,194	40,456	50,082	44,235

Continued

<u>MEDITERRANEAN AREA</u>						
Cyprus.....	44 :	121 :	193 :	199 :	204 :	*200
Israel.....	4/14,445 :	892 :	1,136 :	1,456 :	1,539 :	1,524
Algeria.....	9 :	26 :	47 :	51 :	85 :	85
French Morocco.....	10 :	46 :	57 :	132 :	193 :	91
Total.....	1,508 :	1,085 :	1,433 :	1,838 :	2,021 :	1,900
<u>FAR EAST</u>						
Philippines, Rep. :	170 :	295 :	279 :	494 :	500 :	*500
<u>SUB-TOTAL</u>						
NO. HEMISPHERE :	34,675 :	56,070 :	43,906 :	42,788 :	52,603 :	46,635
<u>SOUTH AMERICA</u>						
Argentina.....	48 :	145 :	209 :	289 :	300 :	*300
Surinam.....	10 :	50 :	57 :	56 :	62 :	*60
Total.....	58 :	195 :	266 :	345 :	362 :	360
<u>OTHER SO. HEMISPHERE:</u>						
Union of So. Africa	495 :	684 :	670 :	828 :	945 :	990
Australia.....	3 :	126 :	134 :	142 :	118 :	128
New Zealand.....	15 :	56 :	1 :	72 :	83 :	68
<u>SUB-TOTAL</u>						
SO. HEMISPHERE :	571 :	1,061 :	1,151 :	1,387 :	1,508 :	1,546
WORLD TOTAL :	35,246 :	57,131 :	45,057 :	44,175 :	54,111 :	48,181

(WORLD CITRUS PRODUCTION continued on Page 157)

SWEDEN'S 1955-56 BREADGRAIN EXPORT AVAILABILITIES LOWER THAN LAST YEAR

Owing to the effect of adverse weather conditions upon domestic production and of a substantial decline in the area sown to fall wheat and rye, Sweden's supplies of these grains for export will be relatively small in 1955-56. Present indications are that the 1955-56 exports will be much below the 222,000 metric tons wheat and 93,000 tons rye exported from July 1, 1954 to April 30, 1955.

Winter damage to fall seeded crops, especially rye, was above normal, and only part of the damaged areas was reseeded. Owing to delays in spring seedings caused by unusually cold and rainy weather, Swedish farmers sowed spring wheat on a smaller area than originally planned and increased the area in coarse grains and forage crops. Spring seeding was delayed 15 days in central Sweden and as much as 25 days in the southern part of the country.

CITRUS FRUIT: Production in specified countries;
average 1935-39 and 1945-49, annual 1951-54

Area	LEMONS					
	Average		1951	1952	1953	1954 <u>1/</u>
	1935-39	1945-49				
- - - - 1,000 Boxes - - - -						
NORTH AMERICA						
United States.....	9,552	12,498	12,800	12,590	16,130	13,800
MEDITERRANEAN AREA						
Greece.....	446	633	899	1,085	1,209	1,179
Italy.....	9,637	7,517	8,647	8,399	8,911	8,018
Spain.....	1,445	1,108	1,642	1,874	2,205	1,218
Cyprus.....	52	72	147	169	167	*170
Lebanon.....	<u>3/</u> 464	476	522	435	450	435
Israel.....	<u>4/</u> 88	288	254	220	295	284
Syria.....	<u>5/</u>	10	12	12	12	12
Turkey.....	74	260	421	667	470	755
Algeria.....	102	131	291	247	290	290
Egypt.....	81	112	150	150	150	*150
French Morocco.....	18	61	143	142	133	183
Tunisia.....	50	154	218	225	223	186
Total.....	12,457	10,822	13,346	13,625	14,515	12,880
SUB-TOTAL						
NO. HEMISPHERE	22,009	23,320	26,146	26,215	30,645	26,680
SOUTH AMERICA						
Argentina.....	371	1,340	1,688	1,535	1,453	*1,500
Chile.....	250	610	928	812	435	725
Surinam.....	2	18	15	13	11	*12
Uruguay.....	150	202	172	167	174	174
Total.....	773	2,170	2,803	2,527	2,073	2,411
OTHER SO. HEMISPHERE						
Union of So. Africa..	142	180	176	218	249	261
Australia.....	302	427	407	401	321	349
New Zealand.....	65	69	48	58	53	49
SUB-TOTAL						
SO. HEMISPHERE	1,282	2,846	3,434	3,204	2,696	3,070
WORLD TOTAL	23,291	26,166	29,580	29,419	33,341	29,750

CITRUS FRUIT: Production in specified countries,
average 1935-39 and 1945-49, annual 1951-54

Area	LIMES (acid)					
	Average		1951	1952	1953	1954 <u>1/</u>
	1935-39 :	1945-49 :				
	- - - - 1,000 Boxes - - - -					
Mexico.....	652	1,682	1,874	2,044	2,142	2,342
United States....	63	200	260	320	370	380
Egypt.....	1,194	950	736	790	1,053	1,200
WORLD TOTAL	2,250	3,380	3,400	3,700	4,100	4,600

- ^{1/} Preliminary. Asterisk denotes an assumed production in countries where official estimates are not available.
^{2/} Not available.
^{3/} Includes Syria.
^{4/} Production in Palestine.
^{5/} Included in Lebanon.

Production estimates relate to the crop from bloom of year shown. Harvesting in Northern Hemisphere countries begins about November, and in Southern Hemisphere countries about February of the following year. Production in foreign countries converted to boxes of the following weights: Oranges 70 pounds; grapefruit and limes 80 pounds; lemons 76 pounds.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

1955 AUSTRALIAN RAISIN CROP DOWN

Recent reports from James H. Boulware, Agricultural Attache, American Embassy, Canberra, indicate that the unfavorable weather during drying reduced the estimated raisin production in Australia in addition to adversely affecting the quality of the pack. Up to harvest time, a bumper crop of good quality raisins had been anticipated, but excessive rain and high humidity occurred. The 1955 production estimates compared with the 1954 pack are as follows:

	1954	1955 estimate
	- - - short tons	- - -
Currants	15,000	11,800
Raisins		
Sultanas	69,400	65,300
Lexias	15,700	10,600

The quality of the Sultana and Lexia crop is extremely low. This contrasts with the exceptionally good quality of the 1954 pack. Australian raisins are classified from "one crown" (lowest grade) to "five crown" (highest grade). Normally, a major portion of the crop is three-crown and above, but this year the bulk of the Sultana and Lexia crop is reported by the Australian Department of Commerce and Agriculture to be one and two-crown, with a small quantity of three-crown and none above this grade.

The currant crop is reported to be of good quality, except in Victoria where it is poor. Victoria produces about 40 percent of the crop.

The price situation is not yet clear, as only about 170 short tons of this year's Sultana crop have been marketed in the United Kingdom where the dock strike has limited shipments.

There are unconfirmed reports that one and two-crown Australian Sultanas have sold at about \$238 per short ton ex-wharf in the United Kingdom. Currants are reportedly selling at \$260 in the same basis in the United Kingdom, and Lexias at \$212.

Australia anticipates significant increases in shipments to Canada this year, to about 19,000 short tons. In 1954, Canada imported 14,748 tons of raisins and 2,328 tons of currants from Australia. In view of United States competition in this market, it is likely that the three-crown portion of the crop will be reserved for Canada.

CAMBODIA MAKES DOLLARS AVAILABLE FOR PURCHASE OF TOBACCO

The Foreign Agricultural Service has received information from Cambodia indicating that dollars have been made available for the purchase of United States tobacco. Prior to termination of the Cambodian-Vietnam free trade on December 31, 1954, the principal source of supply for the Cambodian cigarette market was the Saigon cigarette factories. Imposition of custom duties has made the price of Vietnam cigarettes prohibitive. The 3 following factories have been installed at Phnom Penh to produce cigarettes for Cambodian consumption:

Compagnies Khmère Des Tobac
29 Route De Saigon
Phnom Penh

Manufactures Cambodgiennes de Cigarettes
29 Rue Van Vollenhoven
Phnom Penh

Manufacture Khmère Des Tobacs
60 Rue Sotehavong
Phnom Penh

BURMA'S RICE EXPORTS AHEAD IN 1955

Burma exported approximately 1,700 million pounds of milled rice from January through June 1955, an increase of 3 percent over the 1,654 million pounds exported in the first half of 1954. Rice exports during calendar year 1955 are expected to reach at least 3,600 million pounds of all types of rice, including bran, which will exceed shipments in 1954, and will be the largest in postwar years.

BURMA: Rice exports, by country of destination,
January-June, 1955, with comparisons

Country of destination	Average	1952	1953	1954 1/	January-June 1/	
	1936-40				1954	1955
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Malaya-Singapore.....	508	228	236	28	10	2/
Hong Kong.....	2/	46	63	5	2	2/
British Borneo.....	2/	33	8	0	0	2/
United Kingdom.....	128	121	16	14	9	2/
Ceylon.....	807	527	331	391	267	179
India.....	3,532	844	331	1,406	249	560
Indonesia.....	156	421	434	313	225	2/
Japan.....	3/ 233	338	355	692	692	493
Ryukyu Islands.....	2/	13	67	89	89	67
Portuguese India.....	2/	0	9	11	8	2/
Mainland China.....	2/	0	0	0	0	168
U.S.S.R. Satellites....	2/	0	0	0	0	78
Africa & Middle East...	2/	221	119	108	58	95
Other Europe.....	497	16	23	4/ 84	38	2/
Mauritius.....	61	39	98	72	3	13
Philippines.....	2/	67	0	0	0	2/
British West Indies....	2/	9	11	0	0	2/
West Germany.....	2/	0	0	7	2	36
Other countries.....	582	1	3	2	2	19
Total.....	6,504	2,924	2,104	3,222	1,654	1,708

1/ Preliminary. 2/ If any, included in "other countries". 3/ To Japan, Korea and Taiwan. 4/ 56 million pounds to Netherlands, 17 million to Belgium, and 11 million pounds to Finland.

Compiled from official and unofficial sources.

Also in the first half of 1955, about 360 million pounds of damaged rice, fine brokens and bran were exported. Destinations of this rice are not yet published, but it is known that approximately 135 million pounds were sold by the Government, principally to Europe; and 225 million pounds by the private trade, primarily to Hong Kong. This is mostly milled rice that has been held in storage for some time and is now being sold at reduced prices for industrial uses and animal feed. East Germany reportedly is to purchase in the last half of 1955, about 220 million pounds of low-grade rice for industrial purposes.

Present indications are that approximately 1,550 million pounds of all types of rice will be exported during the last half of 1955. Little cash is expected to be realized from these sales, however, since most shipments will be on a barter basis. Reportedly (1) West Germany and Hungary are negotiating with Burma for rice in exchange for merchandise, (2) sales to Israel were for bartered goods, (3) Indonesia has agreed to take 110 million pounds (50,000 tons) in exchange for rubber, tapioca, copra, coffee, and spices, (4) the Philippine Republic is being invited to exchange sugar for rice, (5) rice exports to Mainland China are payable with 20 percent Pounds Sterling, 20 percent in goods from Eastern Europe, and 60 percent in merchandise from China, and (6) the U.S.R.R. has contracted for 336 to 448 million pounds (150,000 to 200,000 long tons), with 20 percent payable in Pounds Sterling, and the remainder on an open account barter basis.

The following prices fixed in 1955 rice sales agreements between Burma and purchasing countries are f.o.b. Rangoon, for the variety and grade known as Ngasein Small Mills Special (about 42 percent broken), with differential prices for other types and qualities.

The agreement with Japan was at the base price of £45 per long ton (\$5.62 per 100 pounds), with the understanding that the rice be principally of high-grade quality at prices comparing with quotations for comparable grades on other markets. Ceylon rice purchases in 1955 so far have been at £42 per ton (\$5.25 per 100 pounds) payable in convertible sterling. The Ryukyu Islands agreement and the agreement with Poland for 1954-55 crop are also at that price. Purchases by Mauritius were at £40 per ton (\$5.00 per 100 pounds) payable in convertible sterling. Old milled rice, damaged in storage, has been selling for £19 per long ton (\$2.38 per 100 pounds) and fine brokens and bran at £17 per ton (\$2.12 per 100 pounds).

Although the State Agricultural Marketing Board has disposed of large quantities of old-stock, damaged milled rice, it still has on hand stocks of paddy principally from the 1953-54 crop. Rice milled from these stocks reportedly contains 6 to 8 percent yellow grains, which is objectionable to most purchasers. Another disadvantage is that deterioration in Burma's milling equipment results in an unusually large percentage of broken grains for which there is now poor demand.

CUBAN COFFEE
CROP REVISIONS

The estimate of the 1955-56 coffee crop for Cuba was raised recently to 778,500 bags of 132.276 pounds each, according to a recent U. S. Foreign Service Despatch from Havana. The revised estimate represents a considerable increase over the 1954-55 crop, which amounted to 643,000 bags. It is estimated that, of the total crop of coffee, there will be about 230,000 bags available for export in 1955-56 after domestic requirements have been met.

INTERNATIONAL TRADE IN SUGAR DECLINES 1.2 MILLION TONS IN 1954

Total world exports of centrifugal sugar 1/ decreased from 14.9 short tons, raw value, during calendar year 1953, to 13.7 million tons during 1954. World exports, 1954, exceeded the postwar (1945-49) average of 9.4 million tons by almost 46 percent and the prewar (1935-39) average of 11.5 million tons by 19 percent. The drop in trade was felt primarily in North and Central America (Cuba) although a decline of exports is noted also for Asia, South American And Oceania.

Total exports of centrifugal sugar from North and Central America declined from 7.7 million short tons, raw value, in 1953 to 6.25 million tons in 1954. International trade of the primary net exporter, Cuba, decreased by almost 1.4 million tons, as the balance of the special 1953 sales were shipped and the nation settled down to its quotas under the United States Sugar Act and the International Sugar Agreement.

In other producing areas of North and Central America, decreased shipments by net exporters were limited to the Dominican Republic, Haiti and Costa Rica. While a decline of exports is noted for some producers of the British West Indies, the British areas as a whole show a net increase in shipments.

Net imports into Western Europe declined by 1.6 million short tons, raw value, during 1954. Large carryovers from 1953, combined with a high level of production, lowered West European sugar requirements from the world free market. United Kingdom purchases in 1954 dropped by more than 678,000 tons, as the country reduced the larger part of a million ton surplus which stemmed from the 1953 special purchase of sugar from Cuba. The German Republic, with its excess of supplies over requirements, limited 1954 imports to relatively small shipments, mainly from Czechoslovakia, East Germany and Cuba. France, with large surpluses, became a net exporter to the extent of 276,000 tons during 1954. The balance of Western Europe, excluding Italy, Norway, Portugal and Switzerland, showed a reaction in the world free market similar to that of the United Kingdom, West Germany and France.

1/ Excluding the movement of sugar between the United States and its territories.

SUGAR, centrifugal, raw value: International trade, averages 1935-39, 1945-49, annual 1953 and 1954

Continent and country	Averages				1953				1954 1/			
	1935-39		1945-49		1953		1954		1954		1954	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
NORTH AMERICA:												
British Honduras.....	0	623	0	586	2/	950	2,461	558	2 2/3	1,091	741	741
Canada.....	1,621	484,659	5,558	515,943	582,342	582,342	8,370	582,342	336	336	656,573	656,573
Costa Rica.....	808	661	3,501	2,527	952	952	952	275	3/	1,373	672	672
El Salvador.....	3,031	290	6,553	254	0	0	0	3	3/	1,373	5	5
Guatemala.....	1,876	2	88	5	0	0	0	1,798	0	0	2,844	2,844
Greenland.....	0	826	0	735	0	0	0	5,490	0	0	178	178
Honduras.....	0	6,289	0	6,181	65,469	65,469	65,469	35	77,592	77,592	10	10
Mexico.....	1,496	220	66,173	44,928	10,707	10,707	2,940	5	3/	3,051	230	230
Miquelon and St. Pierre.....	29	271	0	229	79,130	79,130	79,130	163	6,741	6,741	3,780,028	3,780,028
Nicaragua.....	3,528	5	2,162	213	2,940	2,940	2,940	60	12,527	12,527	10	10
Panama.....	0	2,956	58	1,840	0	0	0	163	0	0	230	230
Panama Canal Zone.....	0	4,335	0	4,314	0	0	0	0	0	0	0	0
United States.....	92,500	3,000,018	178,151	3,424,061	79,130	79,130	79,130	3,828,204	6,741	6,741	3,780,028	3,780,028
CARIBBEAN:												
Antigua.....	24,436	277	20,135	1,524	32,857	32,857	32,857	2,077	11,633	11,633	8,522	8,522
Bahamas.....	0	1,750	0	1,524	0	0	0	2,077	0	0	8,522	8,522
Barbados.....	100,243	254	102,093	3	155,380	155,380	155,380	30	176,407	176,407	1,760	1,760
Bermuda.....	0	1,530	0	1,176	0	0	0	1,986	0	0	30	30
Cuba.....	2,871,267	0	5,245,347	0	5,977,742	5,977,742	5,977,742	16	4,613,352	4,613,352	229	229
Dominica.....	0	520	0	1,411	0	0	0	430	0	0	62	62
Dominican Republic.....	480,189	523	450,154	68	610,454	610,454	610,454	14	561,081	561,081	568	568
Grenada.....	0	565	0	1,373	0	0	0	716	0	0	0	0
Guadeloupe.....	53,721	69	52,993	0	92,042	92,042	92,042	0	113,169	113,169	5	5
Haiti.....	38,126	59	25,163	2	31,738	31,738	31,738	5,113	3/	16,930	0	0
Jamaica.....	101,100	0	165,381	0	305,176	305,176	305,176	0	360,068	360,068	0	0
Martinique.....	58,354	0	24,429	0	54,399	54,399	54,399	0	68,613	68,613	0	0
Montserrat.....	0	588	0	7	0	0	0	740	0	0	1,111	1,111
Netherlands Antilles.....	0	4,183	57	6,140	0	0	0	7,061	0	0	1	1
St. Kitts.....	33,547	436	34,331	203	53,715	53,715	53,715	3	51,115	51,115	150	150
St. Lucia and St. Vincent.....	8,562	565	6,169	517	11,000	11,000	11,000	0	10,025	10,025	0	0
Trinidad and Tobago.....	140,161	431	104,680	0	182,526	182,526	182,526	93	167,841	167,841	0	0
Total North America.....	4,014,595	3,512,705	6,493,176	4,014,240	7,678,008	7,678,008	7,678,008	4,437,422	6,252,945	6,252,945	4,453,719	4,453,719

EUROPE:

Austria.....	6/	24	594	488	58,654	134,289	1	33,166
Belgium.....	119,744	158,515	21,343	59,038	88,261	97,976	1	53,765
Channel Islands 4/.....	0	2,406	-	3,184	3,930	-	-	3,883
Denmark.....	14,742	13,712	64,773	0	6,438	60	85,510	107
Faeroe Islands.....	0	80	0	944	0	1,340	0	-
Finland.....	0	115,944	0	67,618	0	150,229	0	125,051
France.....	262,175	405,772	125,730	209,514	348,018	449,026	643,827	368,046
Germany, Federal Republic of ..	-	556,000	-	247,938	563	378,735	0	75,399
Greece.....	0	84,854	0	57,600	0	128,369	0	74,827
Iceland.....	0	6,274	0	5,452	0	8,313	0	7,923
Ireland.....	0	39,184	0	22,207	0	120,662	0	36,121
Italy.....	19,605	26,718	258	89,879	15	6,210	3/	30,681
Malta and Gozo.....	0	11,497	0	8,127	0	12,567	0	3,502
Netherlands.....	64,473	162,018	74,485	183,931	204,877	265,350	77,792	182,734
Norway.....	23	111,917	98	95,504	26	157,546	-	161,724
Portugal.....	47	76,870	66	98,612	1	119,149	-	133,560
Spain 7/.....	2	8/	56	13,958	139,718	16,068	3/	65,308
Sweden.....	219	8,769	7,206	33,738	7,932	120,175	-	10,200
Switzerland.....	877	183,840	1,295	148,866	2,007	193,053	3,587	199,077
United Kingdom.....	404,678	2,462,840	398,072	1,890,896	793,613	3,392,934	842,293	2,714,491
Yugoslavia.....	1	1,265	10,148	22,660	0	47,599	0	0
Total Western Europe.....	886,610	4,429,125	717,920	3,325,067	1,768,883	5,793,865	1,816,304	4,220,547
Total Eastern Europe 9/.....	930,638	49	153,000	-	150,000	23,234	646,273	68,917
Total Europe.....	1,817,248	4,429,174	870,920	3,325,067	1,918,883	5,817,099	2,462,577	4,289,464
U. S. S. R. (Europe & Asia) ..	9/	145,000	-	-	9/	135,000	2/	11,000
								254,230
								195,558

ASIA:

Aden.....	15,076	20,049	8,225	13,354	6,292	9,467	-	3/4/ 466
Other Arabian States.....	-	-	-	7,591	-	7,539	-	10,113
Cyprus.....	0	4,027	0	4,351	0	5,261	0	4,039
Iran 5/.....	-	92,675	2	107,373	-	225,825	-	78,855
Iraq.....	269	47,723	0	55,118	0	119,472	0	141,574
Israel.....	-	29,059	-	32,000	-	65,290	-	53,546
Jordan.....	0	3,654	0	11,843	0	15,000	0	15,000
Lebanon.....	461	34,897	227	32,792	172	24,475	0	31,007
Syria.....	-	-	-	-	-	26,286	-	8,163
Turkey.....	0	29,726	1,983	12,309	0	0	0	0
Afghanistan 5/.....	0	9,289	0	5,338	0	5,000	0	6,440
British Borneo.....	0	10,282	0	9,288	-	17,620	-	10,000
British Malaya.....	18,630	148,803	7,260	104,249	7,162	173,190	3/	160,916
Burma.....	5/	1,254	5/	16,499	-	14,021	-	19,000
Ceylon.....	69	87,673	0	101,594	0	160,878	0	157,910
China including Manchuria.....	4	333,675	34,032	12,761	-	-	4/	32,015
Hong Kong.....	128,399	158,691	19,490	39,782	161,182	185,608	64,935	113,697
India.....	43,993	124,998	4,859	2,415	6,430	175,573	70	836,517
Indochina.....	2,355	1,531	192	9,931	106,069	60,650	-	54,813
Indonesia.....	1,033,090	2,001	29,064	1,250	2,098	273	231,843	546
Japan.....	16/	195,533	1,067,738	251,578	2,098	1,168,410	31,813	1,117,547
Korea.....	5/	33,246	6/	78,446	-	24,502	-	26,348
Macan.....	-	-	660	2,425	-	6,290	-	2,673
Pakistan.....	10/	10/	-	123,500	-	51,218	-	102,000
Philippines, Republic of.....	892,549	156	143,432	6,000	926,490	0	959,130	7
Taiwan (Formosa).....	1,027,323	2,925	161,255	-	1,020,219	26	583,082	-
Thailand.....	64	40,644	496	5,865	0	20,000	3/	20,729
Total Asia (excl. U.S.S.R.) ..	3,392,315	2,336,411	148,918	1,035,797	2,236,114	2,561,874	1,885,529	3,004,121

SUGAR, centrifugal, raw value: International trade, averages 1935-39, 1945-49, annual 1953 and 1954, continued

Continent and country	Averages				1953				1954 1/			
	1935-39		1945-49		1953		1954		1954 1/		1954 1/	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
SOUTH AMERICA:												
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Argentina.....	9,570	936	1,705	13,343	139	46,044	-	46,044	-	46,044	-	46,044
Bolivia.....	0	27,769	0	34,410	0	60,300	0	60,300	0	60,300	0	60,300
Brazil.....	51,630	1	116,644	0	285,454	0	166,000	0	166,000	0	166,000	0
British Guiana.....	200,437	56	163,817	14	250,640	21	248,470	3/	248,470	3/	248,470	3/
Chile.....	12	140,914	0	169,206	0	246,579	0	246,579	0	246,579	0	246,579
Colombia.....	5	13,360	2,131	7,399	70	15,759	-	15,759	-	15,759	-	15,759
Ecuador.....	94	9,008	0	6,673	0	0	0	0	0	0	0	0
French Guiana.....	0	638	0	696	0	472	0	472	0	472	0	472
Paraguay.....	0	6,623	293	1,830	-	5,842	-	5,842	-	5,842	-	5,842
Peru.....	329,252	515	333,476	3	454,078	-	469,834	-	469,834	-	469,834	-
Surinam.....	13,804	255	75	417	1,764	24	-	24	-	24	-	24
Uruguay.....	0	59,330	0	80,987	-	86,821	-	86,821	-	86,821	-	86,821
Venezuela.....	-	26	-	35,187	0	49,078	0	49,078	0	49,078	0	49,078
Total South America.....	604,804	259,431	618,141	350,165	992,145	510,940	884,304	510,940	884,304	510,940	884,304	510,940
AFRICA:												
Algeria.....	12	91,585	3	88,263	109	162,342	122	162,342	122	162,342	122	162,342
Anglo-Egyptian Sudan.....	0	37,055	0	36,133	0	116,505	0	116,505	0	116,505	0	116,505
Belgian Congo (incl. Ruandi)												
Urundi.....	12,638	608	6,587	28	3	1,523	20	1,523	20	1,523	20	1,523
British East Africa.....	15,902	176	14,495	969	40	44,728	-	44,728	-	44,728	-	44,728
Nyasaland.....	0	955	0	3,791	0	6,554	0	6,554	0	6,554	0	6,554
Zanzibar.....	0	5,570	0	4,236	-	5,334	-	5,334	-	5,334	-	5,334
Bechuanaland 4/.....	0	900	0	902	0	133	0	133	0	133	0	133
British Somaliland.....	0	6,564	0	3,715	0	3,595	0	3,595	0	3,595	0	3,595
Gambia.....	0	854	0	899	0	2,000	0	2,000	0	2,000	0	2,000
Sierra Leone.....	0	951	0	1,832	0	4,356	0	4,356	0	4,356	0	4,356
St. Helena.....	0	217	0	175	0	235	0	235	0	235	0	235
Cape Verde Islands.....	0	1,540	0	2,150	0	1,453	0	1,453	0	1,453	0	1,453
Egypt.....	78,561	61,852	10,245	17,312	10	62,650	-	62,650	-	62,650	-	62,650
Ethiopia, Eritrea and It. Somaliland.....	563	8,118	196	4,691	-	20,537	-	20,537	-	20,537	-	20,537
French Cameroons.....	0	494	0	1,028	0	3,725	0	3,725	0	3,725	0	3,725
French Equatorial Africa.....	0	1,064	0	2,874	0	10,766	0	10,766	0	10,766	0	10,766
French Morocco.....	11,552	198,618	13,298	119,838	26,027	309,351	30,076	309,351	30,076	309,351	30,076	309,351
French Somaliland.....	0	2,007	0	729	0	2,595	-	2,595	-	2,595	-	2,595
French West Africa.....	0	22,983	0	19,752	0	66,478	0	66,478	0	66,478	0	66,478
Togo.....	0	729	0	658	0	1,769	0	1,769	0	1,769	0	1,769
Gold Coast.....	0	7,572	0	7,341	0	25,178	0	25,178	0	25,178	0	25,178
Liberia.....	0	210	0	369	0	133	0	133	0	133	0	133

Libya.....	0 :	12,397 :	0 :	6,234 :	0 : 1/4 :	11,490 :	0 : 1/4 :	5,169
Madagascar.....	9,955 :	1,563 :	2,344 :	4,167 :	785 :	2,843 :	6,087 :	7,360
Mauritius.....	311,472 :	0 :	327,651 :	0 :	531,184 :	0 :	552,958 :	0
Mozambique.....	88,685 :	20 :	63,250 :	- :	76,756 :	- :	58,293 :	-
Nigeria and Cameroons.....	0 :	9,184 :	0 : 6/ :	5,052 :	0 :	26,882 :	0 :	45,685
Angola.....	33,240 :	0 :	42,665 :	1 :	29,948 :	- :	37,678 :	-
Portuguese Guinea.....	0 :	797 :	0 :	372 :	0 :	- :	0 :	-
Sao Tome and Principe.....	0 : 8/ :	212 :	0 :	359 :	0 :	697 :	0 :	741
Reunion.....	82,978 :	2 :	92,753 :	- :	164,857 :	- :	186,520 :	-
Seychelles Islands.....	- :	933 :	- :	1,029 :	- :	1,179 :	- :	-
Southern Rhodesia and Northern Rhodesia.....	513 :	11,198 :	902 :	21,875 :	136 :	36,600 :	- :	37,496
South West Africa.....	- :	4,432 :	- :	9,560 :	- :	10,000 :	- :	14,700
Spanish Morocco.....	0 :	25,233 :	0 :	10,774 :	0 : 1/4 :	4,112 :	0 : 1/4 :	5,447
Tangier, Int'l. Zone.....	0 : 6/ :	2,456 :	0 : 6/ :	3,728 :	0 : 1/4 :	13,029 :	0 : 1/4 :	10,448
Tunisia.....	- :	39,768 :	22 :	39,877 :	- :	61,570 :	- :	70,941
Union of South Africa.....	235,313 :	1,477 :	51,445 :	7,321 :	109,244 :	640 :	244,307 :	348
Total Africa.....	881,384 :	560,294 :	625,856 :	428,034 :	939,099 :	1,020,982 :	1,116,061 :	1,072,465
OCEANIA:								
Australia.....	5/ 470,793 : 5/ :	84 : 5/ :	273,176 :	- :	817,291 :	0 :	717,592 :	0
Australian Territories.....	0 : 5/ :	725 :	0 : 5/ :	1,989 :	0 :	3,576 :	0 :	4,000
Fiji Islands.....	147,627 :	- :	114,153 :	- :	167,776 :	- :	157,051 :	-
French Oceania.....	0 :	696 :	0 :	1,907 :	0 :	3,420 :	0 : 3/ :	1,583
New Caledonia.....	0 :	1,796 :	0 :	2,000 :	0 :	2,525 :	0 : 3/ :	1,577
New Zealand.....	1,373 :	91,621 :	455 :	91,780 :	317 :	96,941 :	- :	125,440
South Sea Islands.....	6/ 66,911 : 6/ :	225 :	- :	- :	- :	- :	- :	-
Western Samoa.....	0 : 6/ :	636 :	0 : 6/ :	1,540 :	0 :	1,837 :	0 :	-
Other Br. Pacific Islands.....	- :	320 :	- :	895 :	- :	- :	- :	-
Total Oceania.....	686,704 :	96,103 :	387,784 :	109,111 :	985,384 :	108,299 :	874,643 :	132,600
Total World.....	11,542,050 :	11,194,118 :	9,414,795 :	9,253,414 :	14,884,633 :	14,467,616 :	13,730,289 :	13,548,327
U.S. Trade with territories...	3,777 :	1,875,568 :	5,650 :	1,712,055 :	11/ 8,298 :	2,215,291 :	11/ 8,624 :	2,132,134
Puerto Rico.....	907,579 :	39 :	968,405 :	514 :	1,115,945 :	1,053 :	1,082,032 :	1,133
Hawaii.....	963,318 :	741 :	739,625 :	706 :	1,087,096 :	- :	1,039,678 :	-
Virgin Islands.....	4,671 :	- :	4,025 :	1,198 :	12,250 :	1,285 :	10,424 :	1,352
Alaska.....	0 :	2,997 :	0 :	3,232 :	0 : 11/ :	5,000 :	0 : 11/ :	5,000
Guam.....	0 :	- :	0 :	- :	0 : 11/ :	778 :	0 : 11/ :	985
American Samoa.....	0 :	- :	0 :	- :	0 : 11/ :	141 :	0 : 11/ :	136
Wake Island.....	0 :	- :	0 :	- :	0 : 11/ :	41 :	0 : 11/ :	18
Total.....	1,879,345 :	1,879,345 :	1,717,705 :	1,717,705 :	2,223,589 :	2,223,589 :	2,140,758 :	2,140,758

1/ Preliminary. 2/ Re-exports. 3/ Incomplete year. 4/ Estimated on basis of exports from certain exporting countries.

5/ Crop year. 6/ Less than 5-year average. 7/ Canary Islands, Ceuta and Melilla considered provinces of Spain after January 1, 1953. 8/ 1-year only. 9/ Estimated mostly on basis of imports into known areas. 10/ Included in India's estimate. 11/ Sugar and related products.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research and other information.

Net imports of Asia increased from 325,760 tons in 1953 to 1.1 million tons or more in 1954. The increase of imports reflects primarily the increased requirements of India as production failed to meet consumption for the second year. Of the net exporters, Indonesia increased shipments by 125,500 tons; Taiwan, with a 1954 quota of 535,518 short tons under the International Sugar Agreement; decreased exports by almost 43 percent from the total of 1953. The Philippines, limited by quotas under the Sugar Act and the International Sugar Agreement increased its shipments in 1954 by 32,640 tons, or little more than its world free market quota of 25,000 short tons.

The net export position of South America during 1954 remained at the level of 1953, as both imports and exports declined by more than 480,000 tons. With increased production in most areas, sugar stocks mounted despite increased consumption requirements. Sugar surpluses increased in Brazil; as exports declined to the level of its quota under the International Sugar Agreement. Peru, a non-member of the Agreement, increased exports slightly over 1953. British Guiana, with its quota under the Commonwealth Sugar Agreement, maintained its exports at slightly under the level for 1953. On the importing side, Chile increased purchases somewhat and the minor areas of Ecuador and French Guiana showed increases. The balance of South American importers decreased or eliminated imports during the year.

Africa returned to the status of net exporter during 1954 although exports exceeded imports by less than 50,000 tons. In general, import requirements increased for most consuming areas and shipments increased for the net exporters, excluding Mozambique.

In Oceania, net exports declined by 134,000 tons as shipments from Australia and Fiji fell and imports of New Zealand increased.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

GERMANY'S BREADGRAIN IMPORTS MUCH ABOVE LAST YEAR

The German Republic's imports of 2,458,000 metric tons of breadgrains from July 1, 1954 to March 31, 1955 were almost equal to its total breadgrain imports of the entire 1953-54 crop year. Of the July-March imports, 2,263,000 tons were wheat and 195,000 tons were rye. The 1953-54 imports totaled 2,480,000 tons; of which 2,385,000 tons were wheat and 95,000 rye. About 450 to 500 thousand tons of breadgrains having been scheduled to arrive in the April-June 1955 quarter, total imports of these grains for 1954-55 were about 3 million tons; of which about 250,000 tons were rye and the balance wheat.

The major suppliers of the July-March wheat imports were as follows (thousands of metric tons): Canada - 431, Argentina - 427, United States - 409, France - 267, Turkey - 230, Australia - 171, Sweden - 118, Syria - 67, Hungary - 46, Bulgaria - 30, U.S.S.R. - 12. Major suppliers of rye during this period were: U.S.S.R. - 71.8, Argentina - 60.2, United States - 42.7, Sweden - 9.8, and Canada - 5.3.

Purchases of 150,000 tons hard winter wheat from the United States under the first phase of the Berlin Aid Program were made in March, and contracts for 175,100 tons under the second phase were completed in April and May. Germany had taken up practically all of its 1954-55 IWA quota of 1,500,000 tons by the end of May. By the same time in 1954, Germany had taken only 1,011,000 tons or 67.4 percent of its 1,500,000 ton IWA quota for 1953-54.

U. K. CONTINUES CEREALS DEFICIENCY PAYMENTS PROGRAM FOR 1955-56

The United Kingdom's Cereals Deficiency Payments Program, under which that country's grain producers are assured minimum gross returns per bushel for wheat and rye and minimum gross returns per acre for oats, barley and mixed grains, will be continued in the 1955-56 (July-June) crop year. Deficiency payments are available only to growers duly registered under the program.

As the first step in determining the amount of any deficiency payment to which a grower may be entitled, the Government at the end of the year calculates the national average of the prices per hundredweight received by farmers during the year on commercial grain markets. In the case of wheat or rye, if the average price thus received falls short of the official national standard price, a deficiency payment equal to the difference is paid to the grower by the Government. The total amount actually paid the grower by the Government is the deficiency payment per hundredweight multiplied by the amount of the grain he marketed during the year.

For wheat, however, a deficiency payment calculation is made for each of 5 periods during the marketing season. The deficiency payment per hundredweight for each period, if any is due, is equal to the difference between the national standard price for and the average price actually received by the farmers in the same period. These calculations are made within 4 weeks after the end of each period. The periods and the standard prices per bushel are (1) July-September, \$2.09; (2) October-November, \$2.20; (3) December-February, \$2.31; (4) March-April, \$2.41; and (5) May-June, \$2.46.

This procedure for wheat is designed to promote orderly marketing throughout the year and to encourage farmers to refrain from selling their wheat during the peak of the harvest. For wheat and rye, deficiency payments will be made only in respect of grain that is millable at time of sale and delivery. However, deficiency payments will also be made for nonmillable wheat, subject to a deduction of 4 percent from the weight and provided the wheat has been converted to a millable basis after sale and delivery by the farmer.

In regard to barley, the national average price actually received by the farmers per hundredweight will be calculated on the basis of the sales made below a fixed price ceiling. The ceiling is roughly the border line between the range of prices at which barley is sold for industrial purposes and the range at which it is sold for feed. In the case of both barley and oats, if the calculated national average price per hundredweight received by growers is less than the national standard price, the difference is converted into a deficiency payment per acre by multiplying it by the average (1950-54) yield per acre in hundredweights less 7.5 percent for tailings, screenings, unsound grain and waste.

Deficiency payments will also be made to growers of mixtures of two or more grains. Payments for such mixtures will be made under the same circumstances and will be determined in the same way as for oats. However, if the mixture includes wheat or rye, it must also contain barley in an amount equal to not less than 25 percent of the wheat and rye in the mixture.

Growers of mixtures of these grains and pulses will be eligible for only 70 percent of the deficiency payments for oats. However, the grain seed sown must be sufficient to produce under normal conditions at least 50 percent of grains in the mixed crop. The balance may be pulses. If the crop contains wheat or rye, it must also contain barley in an amount equal to not less than 25 percent of the wheat and rye in the mixture.

As in the case of wheat and rye, deficiency payments for oats, barley or the mixtures referred to above can be claimed only by registered growers. The deficiency payment to cover sales of oats or barley or any of the indicated mixtures will be paid each registered grower who has one acre or more in the crop. The total amount that each grower can receive is calculated on the basis of quarter acres. For example, a farmer who has $5\frac{1}{4}$ acres in oats will receive a payment equal to the deficiency payment per acre for oats times $5\frac{1}{4}$.

United Kingdom: Officially guaranteed producer returns for 1954-55 and 1955-56 grain crops

	1954-55				1955-56			
	Per			Per	Per			Per
	112 pounds			Bushel	112 pounds			Bushel
	s.	p.		Dollars	s.	p.		Dollars
Wheat.....	30	9	:	2.30	30	1/ 0	:	1/ 2.25
Rye.....	25	0	:	1.75	23	3	:	1.63
Barley.....	25	6	:	1.53	24	8	:	1.48
Oats.....	24	0	:	.96	23	3	:	.93

1/ The average standard price for the 5 marketing periods.

**COTTON CONSUMPTION SLIGHTLY HIGHER
IN GERMANY; IMPORTS DECLINING**

Cotton consumption in the Republic of Germany during the first 9 months of the 1954-55 year (August-April) amounted to 948,305 bales (500 pounds gross), about 3 percent higher than the 917,913 bales consumed during the same period a year earlier, according to Andrew W. Lynch, American Consul General, Bremen. Mill activity during each quarter of the 1954-55 year through April was at a slightly higher rate than for the corresponding period of 1953-54, as shown in the following table.

Republic of, Germany: Cotton consumption and imports,
marketing years 1954-55 and 1953-54, by periods

Period	Consumption		Imports	
	1954-55	1953-54	1954-55	1953-54
	Bales 1/	Bales 1/	Bales 1/	Bales 1/
August-October.....	318,606	297,606	278,083	268,971
November-January.....	314,436	307,712	354,288	317,563
February-April.....	315,263	312,595	338,787	385,396
August-April.....	948,305	917,913	971,158	971,930
Total, marketing year..	-	1,217,000	-	1,264,000

1/ 500-pound gross weight.

Source: Textil-Statistik G.m.b.H., Frankfurt, and official reports.

During the first 9 months of the 1953-54 marketing year, German cotton consumption amounted to about 75 percent of the year's total. If this same ratio prevailed during the remainder of the 1954-55 year, total consumption would aggregate about 1,257,000 bales, compared with 1,217,000 bales in 1953-54. About 37 percent of the consumption during the February-April quarter was United States cotton, 16 percent was Brazilian, and 9 percent Egyptian.

Imports during the August-April period, amounting to 971,158 bales, only 772 bales less than for the corresponding period of 1953-54, consisted of 35 percent United States cotton, 16 percent Brazilian, 13 percent Mexican, and 7 percent Egyptian. These proportions compared with 26 percent United States, 17 percent Brazilian, 9 percent Mexican, and 10 percent Egyptian for the same period a year earlier. However, raw cotton purchases during the February-April period were limited to the minimum necessary to maintain mill consumption, attributable to uncertainty about United States export policy. The report also stated that cotton arrivals during May via Hamburg and Bremen (usually representing 80 or 85 percent of all German cotton imports) were 25 percent below the previous 9-month average of a little over 100,000 bales per month. This decline was expected to continue until more is known about changes, if any, in United States export policy.

Total cotton stocks in the German Republic at the end of April amounted to about 280,000 bales, of which 259,000 bales were at mills. This compares with mill stocks at the end of January 1955 of 251,000 bales and August 1, 1954, stocks of 259,000 bales. Mill stocks of United States cotton at the end of April amounted to 86,000 bales, 33 percent of the total, compared with 76,200 bales or 30 percent of the total as of February 1, 1955. At the end of April, stocks in mills represented about 2-2/3 months' supply at rates of consumption then current. Although total retail sales of all textiles were 9 percent higher during the 5 months January-April 1955 than in the same period of 1954, retailers of cotton textiles were reportedly holding back on new orders and raw cotton merchants were attempting to liquidate stocks.

Price quotations by German dealers to German mills for raw cotton, c.i.f. Bremen/Hamburg as of June 15, 1955, showed United States cotton to be more expensive than all other growths, except for Egyptian and certain types of Uganda cotton, the difference in many cases reaching 15 percent or more. Higher prices for American, particularly for the more desirable grades SM 1-1/16" and over, which have prevailed since March of 1955, have resulted in limitation of purchases of United States cotton to "replacements," generally available from Bremen dealers at cheaper prices than those offered by United States exporters.

In summary, the outlook for cotton in Germany appears to be for continuance of slow buying of raw cotton until uncertainty over United States cotton export policy is ended. Considerable pent-up demand exists. Consumer demand for cotton textiles during the second half of the calendar year 1955 is expected to continue at high levels due to the increase in disposable income, rise in general standard of living, and a continuation of high-level housing construction which will strengthen the demand for home textiles.

IRAQ SUSPENDS DUTY ON IMPORTS OF 20,000 TONS OF WHEAT

Effective June 27, 1955, Iraq suspended its import duty of 20 percent ad valorem on wheat for a period of 9 months, and authorized the importation of up to 20,000 tons, according to the American Embassy in Baghdad. While 1955 supplies (i.e., the 1955 crop plus the carryover from 1954) were believed to be adequate for domestic requirements, importation of the indicated quantity is being permitted free of duty because speculation and hoarding had forced the domestic price from 30 dinar per metric ton (\$2.29 per bushel) on January 1 to 55 dinar per metric ton (\$4.19 per bushel) on June 30.

The Iraq government purchases about 100,000 tons of homegrown wheat annually for its subsidized bread program but it is deferring purchases of such wheat this season until imports force domestic prices into conformity with world prices. Virtually no wheat was permitted to be imported in 1953 and 1954 and none during the first 6 months of 1955 because domestic production was in excess of requirements, and the relationship of the wheat prices in Iraq to world prices was not such as to warrant imports.

The country's 1954 wheat crop amounted to 750,000 metric tons, which was 250,000 tons in excess of domestic requirements. In addition, there was a carryover from 1953 of over 50,000 tons. January 1 stocks this year were estimated at 245,000 tons and the 1955 crop at 450,000 tons.

Owing to good crops in 1953 and 1954, Iraq exported wheat in both of those two years and again in 1955. Only 1,653 tons were exported in 1953, but about 35,000 tons were exported in 1954 against a September 1954 authorization of 50,000 tons. The balance of 15,000 tons was shipped early in 1955. In February of this year, an additional 50,000 tons were authorized for export. However, 18,000 tons of that authorization were cancelled in April in view of the forecast of only 450,000 tons for the 1955 crop.

CANADA REPORTS SMALL WHEAT ACREAGE

Preliminary estimates of 1955 field crop acreages indicate that the 1955 wheat acreage actually seeded was the smallest since 1943 and the acreage in coarse grains was one of the largest of record, according to a report of the Dominion Bureau of Statistics. The seeded acreage of 21.5 million acres of wheat fell about 2 million acres short of farmers' intentions to plant, as reported in March. At that figure, wheat acreage is about 2.8 million acres less than in 1954. Unfavorable weather at seeding time apparently necessitated some shift from earlier plans and about half of the reduction from planned wheat acreage went into summer-fallow. A substantial increase over the planned acreage in flaxseed is also noted.

Acreage seeded to barley, oats, and rye is very close to the planned acreage reported for these crops. Barley acreage, as reported at 9.9 million acres, is at a new record level exceeding the previous record in 1953 by a million acres. The current acreage is 26 percent above the reduced barley acreage of 1954. Slightly more than 97 percent of Canada's barley acreage for the current season is in the Prairie Provinces. The largest increase is reported for Saskatchewan, where the area of 3.8 million acres is 66 percent above the small 1954 figure. A substantial increase is also reported for Alberta, while Manitoba reports a 5 percent decline from the 1954 acreage.

The area seeded to oats for grain is placed at 11.2 million acres. Though 10 percent above the 1954 acreage, this is 3 percent below the average for the 10 year ended 1953. Virtually, all of the increase is reported for the Prairie Provinces, which this year account for 70 percent of Canada's total acreage of oats. As was the case for barley, the largest increase took place in Saskatchewan, with a moderate increase in Alberta and a slight decline in Manitoba.

Total rye acreage for the current season is 778,000 acres, a reduction of 9 percent from the 1954 acreage. Acreage of mixed grains is estimated at 1.7 million acres. This is 4 percent above the 1954 acreage and is slightly above the planned acreage. About 65 percent of the mixed grain crop is grown in Ontario. Acreage in corn for grain shows a substantial increase over the 1954 acreage. More than 95 percent of the corn acreage is in Ontario.

The acreage in summerfallow is reported at about 24 million acres, compared with 25.3 million last year and the planned acreage of only 22.8 million acres. Though only 95 percent of the area under summerfallow in 1954, this is 14 percent above the average for 1944-53.

CANADA: Acreage in grain and summerfallow,
1955, with comparisons

Crop	Average 1944-53	1953	1954	1955 ^{1/}
	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Winter wheat.....	656	732	710	582
Spring wheat.....	24,298	24,781	23,557	20,922
Total wheat.....	24,954	25,513	24,267	21,504
Oats for grain.....	11,495	9,830	10,161	11,178
Barley.....	7,159	8,911	7,856	9,912
Fall rye.....	804	1,031	672	567
Winter rye.....	360	463	178	211
Total rye.....	1,164	1,494	850	778
Mixed grains.....	1,336	1,445	1,633	1,705
Corn for grain.....	282	362	418	514
Buckwheat.....	162	148	130	107
Summerfallow.....	21,088	22,764	25,253	23,965

^{1/} Preliminary estimates.

From reports of the Dominion Bureau of Statistics.

IRAN RAISES GOVERNMENT PRICES
OF WHEAT AND BARLEY

The prices at which the Iranian government will purchase wheat and barley from that country's 1955 harvest will range from 3,200 to 5,000 rials per metric ton (\$1.16 to \$1.81 per bushel) for wheat and from 2,000 to 3,000 rials per ton (\$0.58 to \$0.87 per bushel) for barley, according to the American Embassy in Tehran. Last year the price for wheat ranged from 2,250 to 5,000 rials per ton (\$0.75 to \$1.66 per bushel) and that for barley from 1,300 to 3,000 rials per ton (\$0.35 to \$0.80 per bushel).

Last year, each locality had a guaranteed Government price for each of these grains. This year, however, only 4 wheat and barley price categories have been established. The first covers the Khuzistan area, consisting mainly of the hot coastal plain lying south of the mountains and immediately east of the Iraq border. In all of the local communities in this area, the Government's purchase price for 1955 crop wheat is 5,000 rials per ton (\$1.81 per bushel) for all deliveries before August 24, 1955, and 4,500 rials per ton (\$1.63 per bushel) on and after that date. The price of barley is 3,000 rials per ton (\$0.87 per bushel) until March 21, 1956. In this area last year the Government wheat price was 5,000 rials per ton (\$1.66 per bushel). The barley price ranged from 2,700 to 3,000 rials per ton (\$0.72 to \$0.80 per bushel).

In the second category, which covers the area around Bushbehr on the north shore of the Persian Gulf, the guaranteed price for wheat is 4,000 rials per ton (\$1.45 per bushel), an increase of 500 rials per ton over last year. The price of barley in this area is 2,400 rials per ton (\$0.70 per bushel) compared with 2,200 rials (\$0.58 per bushel) last year.

In the third category, including such important producing centers as those around Meshed and Gorgan, the guaranteed price for wheat is 3,200 rials and that for barley 2,000 rials per ton (\$1.16 and \$0.58 per bushel). In the localities covered by this category, wheat was increased 200 to 950 rials per ton over last year and the increases for barley range from 0 to 700 rials per ton.

For the fourth group of local communities, the guaranteed price of wheat is 3,600 rials and the price of barley is 2,590 rials per ton (\$1.31 and \$0.75 per bushel). In this area, the increases from last year range from 100 to 1,050 rials per ton for wheat, and from 340 to 990 rials per ton for barley.

The Iranian government purchases wheat to supply cheap bread to the poorer people in the cities through the Bread and Cereals Department of the Ministry of Finance. The wheat used in making the white flour for bread purchased by the middle and upper classes moves to the millers at the commercial price which is much higher than that paid by the Government.

WORLD TRADE IN RAW WOOL IN 1954

World trade in raw wool totaled about 2.2 million pounds in 1954 compared to 2.5 million in 1953. The quantities of wool which entered international trade channels in 1954 were approximately equivalent to those quantities available for export from the 1953 world clip. The larger exports in 1953 included appreciable quantities from the 1951-52 South American clip which had accumulated in Argentina and Uruguay.

Stocks of wool in consuming countries have shown no significant changes during the past three years, because world consumption of wool has followed a trend somewhat similar to the trend in exports.

WOOL (Actual weight): International trade, averages 1935-39, and
1946-50, annual 1953 and 1954

Continent and country	Average 1935-39		Average 1946-50		1953 1/		1954 1/	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
NORTH AMERICA								
Canada.....	6,241	19,337	3,418	40,223	3,756	26,831	2,865	16,800
Mexico.....	2/	2,041	1,120	7,430	2/	6,200	3/	11,530
United States.....	325	224,498	9,699	775,722	14,000	448,760	1,200	304,500
Total.....	6,566	245,876	14,237	823,375	5,156	481,791	4,065	332,830
EUROPE								
Austria.....	183	4/5/ 20,900	493	1,016	2/	11,174	176	12,347
Belgium.....	3/	226,345	3/	219,300	34,086	180,777	10,800	62,700
Denmark.....	353	4,149	349	10,384	223	4,755	188	4,000
Finland.....	0	5,772	1,035	8,634	0	9,400	600	11,563
France.....	59,575	403,345	18,666	435,400	35,890	338,180	36,720	342,580
Germany, Western.....	0	4/ 259,932	381	137,362	3,979	202,870	4,134	183,910
Greece.....	1,706	7,717	267	7,093	100	11,600	300	9,600
Iceland.....	1,512	0	964	0	569	0	750	100
Ireland.....	14,250	691	10,075	5,305	15,790	11,076	12,210	9,080
Italy.....	1,040	78,958	2,380	178,416	4,159	201,312	3,300	169,322
Netherlands.....	3,908	16,318	2,054	40,857	2,840	24,310	3,080	27,860
Norway.....	272	2,161	5	8,439	2,500	1,868	1,300	1,649
Portugal.....	2,188	3,377	2,246	7,300	3,015	3,270	2,863	5,412
Spain.....	2,195	12,236	347	6,618	3,146	4,156	2,893	6,186
Sweden.....	427	16,885	1,608	29,523	1,200	11,420	1,000	10,840
Switzerland.....	271	17,234	657	25,346	37	17,193	105	13,769
United Kingdom.....	38,600	628,893	17,640	556,640	24,400	827,300	26,700	687,100
Yugoslavia.....	1,143	8,179	230	14,266	3,883	7,332	2,640	6,224
Total Western Europe.....	127,623	1,713,092	59,397	1,691,899	135,817	1,867,993	109,759	1,564,242
Bulgaria.....	4	1,693	3/	3/	3/	3/	3/	3/
Czechoslovakia.....	4/5/ 1,050	34,776	3/	3/	3/	3/	3/	3/
Hungary.....	839	2,126	3/	3/	3/	3/	3/	3/
Poland.....	80	46,045	2/	3/	2/	3/	2/	3/
Rumania.....	600	1,334	3/	3/	3/	3/	3/	3/
Total Europe excluding U.S.S.R.....	130,196	1,800,677	94,173	1,739,580	135,817	1,867,993	109,759	1,564,242
U.S.S.R. (Europe and Asia) 8/9/.....	3/	67,550	3/	43,026	3/	3/	3/	3/

ASIA									
Cyprus.....	1,226	0	196	0	609	0	1,400	0	0
Iran.....	12,890	0	6,187	573	21,490	0	15,992	0	0
Iraq.....	13,651	0	12,065	0	12,225	0	10,620	0	0
Israel.....	-	-	459	2,115	200	1,000	3,100	2,500	3/
Lebanon.....	10/	10/	3/	3/	3,200	1,660	3,100	-	-
Syria.....	5,787	386	10,243	970	9,921	908	1,171	16,830	3/
Turkey.....	17,639	1,182	3,607	8,755	881	13,823	3/	3/	3/
China.....	23,608	0	4,340	0	3/	4,500	29,137	3,000	0
India.....	49,016	12,900	29,197	11,112	23,393	0	197,340	147,050	0
Japan.....	0	188,257	0	28,300	0	24,389	1,501	20,750	2,900
Pakistan.....	11/	11/	12/	51,837	96,308	220,732	82,170	172,280	-
Total.....	123,817	202,725	93,837	51,837	96,308	220,732	82,170	172,280	-
SOUTH AMERICA									
Argentina.....	305,725	80	357,248	0	342,100	0	209,800	0	0
Polivia.....	0	166	0	1,514	3/	3/	2/	3/	3/
Brazil.....	10,151	3,783	7,496	4,504	22,900	1,360	9,700	-	-
Chile.....	23,335	769	15,409	2,332	15,924	1,940	-	-	-
Colombia.....	36	59	15	1,817	3/	1,600	3/	3/	3/
Ecuador.....	132	0	-	-	-	-	-	-	-
Falkland Islands.....	4,084	0	3/	3/	4,000	0	4,400	0	0
Peru.....	5,130	0	2,158	0	4,526	0	3/	3/	3/
Uruguay.....	105,478	0	144,428	0	146,000	0	119,112	0	0
Total.....	454,071	4,857	526,841	10,167	535,450	4,900	343,012	-	-
AFRICA									
Algeria.....	12,822	0	875	4,278	1,110	5,260	1,000	7,000	0
Anglo-Egyptian Sudan.....	3/	3/	27	22	3/	3/	3/	3/	3/
Kenya and Uganda.....	3/	3/	700	0	1,500	0	1,200	0	0
Egypt.....	4,489	0	856	11,267	500	2,100	600	1,600	0
French Morocco.....	10,036	0	3,488	2,150	7,100	500	13,400	578	0
Tunisia.....	3,241	0	482	243	1,400	3/	2,400	100	0
Union of South Africa.....	228,555	0	262,300	1,546	220,800	18,300	233,200	16,200	0
Total.....	259,143	0	268,728	19,506	244,210	26,160	265,500	25,478	0
OCEANIA									
Australia.....	821,740	0	1,076,232	1,028	1,101,000	0	974,072	0	0
New Zealand.....	273,618	0	394,243	0	401,000	0	387,250	0	0
Total.....	1,095,358	0	1,470,475	1,028	1,502,000	0	1,361,322	0	0
World total.....	2,069,732	-	2,468,291	-	2,507,060	-	2,165,825	-	-

1/ Preliminary. 2/ Less than 500 pounds. 3/ Not available. 4/ Four year average 1935-38. 5/ Beginning April 1938, trade between Austria and Germany no longer reported as foreign trade in Germany Statistics. The same applies to trade between Czechoslovakia for the period October to December 1938. 6/ Imports for Western Germany commencing September 1947. 7/ Two year average. 8/ Present territory. 9/ Based on exports from primary sources. 10/ Included in Syria. 11/ Included in India. 12/ Three year average. 13/ Re-exports have been excluded where possible.

Foreign Agricultural Service. Prepared or estimated from official statistics of foreign governments, reports of U.S. Foreign Service officers and other information. - July, 1954.

The decline in wool exports in 1954 was reflected largely in smaller imports into North America and Western Europe; primarily imports into the United States, United Kingdom, Belgium Italy and the Republic of Germany. A sharp decline also occurred in imports into Japan. Imports during the first four months of 1955 indicate that, with the exception of Italy, imports into these countries will be larger in 1955. Italian imports declined by 20 percent during the first 4 months of 1955 compared to the corresponding period of 1954.

The increase in imports into Western Europe and the United States during the early months of 1955 came primarily from Australia, New Zealand and South Africa reflecting the larger production of wool in each of these countries. The larger quantities were moved into the export trade at prices appreciably below prices of a year earlier. In contrast; in both Argentina and Uruguay growers have been reluctant to sell at the lower price level. Present indications are that both countries will have a larger carry-over of wool at the end of this season compared to a year earlier.

It is significant to note that in the United States the new wool program has resulted in domestic wools moving directly into trade channels; irrespective of the prevailing price level. Prior to the enactment of this program a relatively small decline in world wool prices resulted in accumulations of wool in Commodity Credit Corporation stocks. This may have given foreign suppliers a temporary advantage; however, this advantage appeared to be offset by the depressing effect which the Commodity Credit Corporation stocks had on the United States market.

Currently CCC stocks of wool total about 68 million pounds, clean basis. These stocks will be moved into trade channels in an orderly manner over the next two years beginning November 1, 1955. Sales will be made in a manner designed to result in the least possible interference with both the domestic and world wool market. Since the total stocks of wool in the United States (including CCC stocks) are not considered excess the level of imports should not be greatly affected by the disposal program.

WORLD MEAT CONSUMPTION AT HIGH LEVELS

During 1954 meat consumption per person rose in most countries of the world and for the world as a whole reached the highest level in recent years. The large meat consumption reflects greater meat production in most of the important producing countries and relatively favorable meat prices to consumers. However; in a number of countries smaller supplies and higher prices resulted in reduced consumption in 1954.

Countries	Production			Net Trade			Apparent Consumption			Per Capita Consumption		
	Average			Average			Average			Average		
	1946-50	1953	1954	1946-50	1953	1954	1946-50	1953	1954	1946-50	1953	1954
	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Pounds	Pounds	Pounds
NORTH AMERICA												
Canada 3/	2,053	1,985	2,095	-	354	-	1,699	1,911	2,075	134	129	137
Mexico	1,035	1,096	1,228	-	56	39	979	1,057	1,185	41	38	41
United States 4/	22,264	24,780	25,333	-	125	290	22,144	25,210	25,515	147	159	158
Cuba	414	416	420	4	24	35	438	451	442	85	78	75
EUROPE												
Austria 5/	407	679	675	36	74	1	443	680	673	64	98	97
Belgium	559	804	839	165	7	neg.	724	811	839	85	92	95
Denmark 6/	884	1,443	1,570	-	355	-1,008	529	435	457	126	100	104
Finland	220	278	279	3	3	neg.	223	278	279	57	67	67
France	3,648	5,004	5,423	69	69	19	3,717	4,985	5,339	90	116	125
Germany, Western 7/	2,700	4,684	4,870	140	140	122	2,840	4,806	4,991	61	93	96
Greece 8/	152	184	204	32	32	10	184	194	212	24	25	27
Ireland	327	418	466	-	53	177	274	241	278	92	82	95
Italy	1,306	1,807	1,918	49	49	60	1,355	1,867	1,970	29	39	41
Netherlands	555	1,035	1,086	30	30	209	585	826	848	60	79	80
Norway	193	222	235	5	5	5	198	217	233	62	65	69
Portugal	324	335	332	6	6	6	330	329	326	40	38	38
Sweden	637	696	737	30	30	15	667	711	791	97	99	110
Switzerland	336	446	430	25	25	9	361	455	444	79	93	90
United Kingdom	2,025	3,003	3,142	43,031	43,031	43,148	5,056	6,151	6,059	101	121	119
Yugoslavia	784	644	830	6	6	5	778	639	783	49	38	45
SOUTH AMERICA												
Argentina	5,215	4,398	4,299	-1,309	-	678	3,906	3,720	3,413	239	202	182
Brazil 9/	2,695	3,000	3,033	-133	-	4	2,562	2,996	3,047	52	54	53
Chile	426	422	N.A.	-12	-	N.A.	414	422	N.A.	74	69	-
Paraguay	230	170	200	-41	-	3	189	167	190	147	112	124
Uruguay	743	888	827	-236	-	176	507	712	591	219	282	232
AFRICA												
Union of South Africa	917	959	941	4	4	10	929	969	937	78	74	70
OCEANIA												
Australia	2,137	2,591	2,652	-491	-	696	1,646	1,895	2,048	212	215	228
New Zealand 10/	1,201	1,221	1,276	-782	-	860	419	361	401	228	176	192

1/ Carcass meat basis - includes beef, veal, pork, mutton, lamb, goat and horse meat; excludes edible offal, lard, rabbit and poultry meat. 2/ Preliminary. 3/ Excludes horse meat - per capita consumption is civilian consumption only. 4/ Excludes horse meat - consumption estimates take into account changes in commercial stocks and include military consumption. Per Capita consumption is civilian consumption only. 5/ Production and consumption estimates include some game, rabbit meat and poultry. 6/ Production and trade for 1946-50 only include carcass meat equivalent of live animals exported. 7/ Averages for years 1948-50. 8/ Average for less than 5 years. 9/ Excludes farm production and consumption. 10/ Production data are for years ending September 30.

Compiled from official sources, reports of Agricultural Attaches and other United States representatives abroad. Foreign Agricultural Service, August, 1955

Meat production in the 42 countries of the world for which detailed production estimates were prepared in 1954, totaled 3 percent above 1953 and around 20 percent greater than prewar. This production accounted for perhaps 93 percent of the world output, exclusive of China. The gain in meat output since prewar has been greater than the increase in the human population. Hence, average meat consumption per person was somewhat above prewar.

Per-capita meat consumption during 1954 was greater than a year earlier in 16 of the 28 countries for which detailed consumption estimates have been prepared. Per-capita civilian consumption in the United States dropped slightly in 1954 and consumption per person in Argentina, Uruguay, the Union of South Africa, Cuba, Austria, Switzerland and the United Kingdom was below 1953. Apparently little change occurred in Portugal and Finland.

Consumption has shown divergent trends for different countries. In the important countries of North America it continues at high levels. Production has been increasing in Canada for several years and consumption has also increased. Per-capita consumption in 1954 was moderately above the average for 1946-50 and the prewar average. Consumption in Mexico increased slightly in 1954 and was at about the 1946-50 average. Consumption was not maintained in Cuba during 1954 at the level of the year earlier and was below the postwar average.

Although meat consumption in a number of European countries has increased sharply since the end of World War II, consumption in the United Kingdom declined slightly in 1954 from the 121 pounds per person consumed in 1953 and was still below the average of 124 pounds in prewar. Production in Denmark continued at high levels but consumption in 1954 was considerably below the prewar average. Meat consumption in France has increased markedly in recent years and is much above prewar. Consumption in the Republic of Germany has been increasing in recent years but the 96 pounds per person consumed in 1954 was still considerably below the prewar average of 113 pounds. Although consumption in Greece has been rising it is still below prewar. Consumption was below prewar in Yugoslavia, Norway, Switzerland, Portugal and the Netherlands.

Per-capita consumption in both Argentina and Uruguay during 1954 was below a year earlier and below prewar. Uruguay continued to have the highest consumption of any country in the world with 232 pounds. Argentina, with 182 pounds, was the fourth largest.

The Union of South Africa last year had difficulty in supplying adequate supplies of meat at the controlled prices. Severe drought in 1954 contributed to the decrease in meat production.

Meat consumption per person rose sharply in Australia and New Zealand last year. Relatively high prices for meat in recent years and large exports have held consumption below their prewar averages, despite the large production. Australians ranked second in the world in meat consumption per capita during 1954. New Zealand had the third largest consumption rate.

This is one of a series of articles on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis,
on Australian Auction floors, by quality
Classification

:	:	:	:	:	:	:	:	:	:
: 70's	: 70's	: 64's	: 64's	: 60's	: 60's	: 58's	: 56's	: 50's	
: Super	: Average	: Super	: Average	: Super	: Average	: Good	: Good	: Good	

U. S. Dollars per pound

Monthly
Averages
1953-54

Sept....	1.89	: 1.81	: 1.75	: 1.60	: 1.52	: 1.42	: 1.32	: 1.07	: .89
Oct....	1.90	: 1.80	: 1.73	: 1.60	: 1.49	: 1.42	: 1.35	: 1.19	: .97
Nov....	1.96	: 1.82	: 1.73	: 1.61	: 1.50	: 1.42	: 1.34	: 1.18	: .97
Dec....	1.96	: 1.76	: 1.67	: 1.58	: 1.45	: 1.35	: 1.31	: 1.14	: .93
Jan....	1.95	: 1.74	: 1.63	: 1.54	: 1.41	: 1.32	: 1.26	: 1.08	: .92
Feb....	1.89	: 1.68	: 1.59	: 1.49	: 1.38	: 1.27	: 1.19	: 1.13	: .89
March..	1.82	: 1.64	: 1.55	: 1.49	: 1.35	: 1.24	: 1.19	: 1.04	: .88
April..	1.79	: 1.66	: 1.59	: 1.54	: 1.42	: 1.31	: 1.28	: 1.14	: .96
May....	1.82	: 1.69	: 1.62	: 1.58	: 1.48	: 1.38	: 1.34	: 1.22	: 1.02
June...	<u>1/1.87</u>	: <u>1/1.74</u>	: <u>1/1.67</u>	: 1.62	: <u>1/1.55</u>	: <u>1/1.43</u>	: <u>1/1.35</u>	: <u>1/1.25</u>	: <u>1/1.04</u>
	:	:	:	:	:	:	:	:	:

1954-55

Sept....	1.63	: 1.56	: 1.48	: 1.40	: 1.39	: 1.29	: 1.26	: 1.18	: .98
Oct....	<u>1/1.62</u>	: 1.53	: 1.45	: 1.36	: 1.34	: 1.23	: 1.21	: 1.15	: .99
Nov....	1.57	: 1.44	: 1.35	: 1.28	: 1.22	: 1.16	: 1.09	: 1.00	: .90
Dec....	1.60	: 1.47	: 1.38	: 1.32	: 1.26	: 1.21	: 1.14	: 1.04	: .90
Jan....	1.56	: 1.43	: 1.34	: 1.28	: 1.22	: 1.17	: 1.11	: 1.03	: .90
Feb....	1.58	: 1.47	: 1.37	: 1.32	: 1.25	: 1.19	: 1.15	: 1.05	: .93
March..	1.47	: 1.39	: 1.30	: 1.26	: 1.20	: 1.15	: 1.12	: 1.04	: .92
April..	1.44	: 1.37	: 1.31	: 1.31	: 1.21	: 1.17	: 1.15	: 1.07	: .94
May....	1.43	: 1.39	: 1.30	: 1.28	: 1.20	: 1.16	: 1.13	: 1.04	: .91
June...	<u>1/1.45</u>	: <u>1/1.39</u>	: <u>1/1.31</u>	: <u>1/1.27</u>	: <u>1/1.20</u>	: 1.16	: <u>1/1.13</u>	: <u>1/1.04</u>	: <u>1/</u> .91
	:	:	:	:	:	:	:	:	:

1/ Quotations nominal

Source: Wool Statistical of the Australian Wool Bureau.

VENEZUELA CONTINUES TO IMPROVE ITS LIVESTOCK INDUSTRY

It has been reported from Caracas that the Ministry of Agriculture, The Banco Agricola y Pecuario, and the Venezuelan Development Corporation are continuing their extensive efforts to improve local cattle herds.

During the first quarter, the Ministry of Agriculture imported 3,000 head of mature animals from the United States, chiefly bulls for resale to cattlemen at cost. The Banco Agricola y Pecuario has imported 2000 young animals, chiefly females from Santo Domingo, (Dominican Republic) to build up the cattle herd on the Llanos de Monay, in the State of Trujillo.

The Venezuelan Development Corporation has not imported breeding stock recently, but is maintaining 3 breeding herds of Cebu cattle in different parts of the country to provide high grade bulls to ranchers. These efforts are in addition to private imports by large herd owners, and do not include the considerable number of cows imported for the dairy industry. The aim of the program is to improve the production of meat and milk of each animal rather than the numbers in the country.

HOG NUMBERS REACH RECORD HIGH LEVEL IN THE NETHERLANDS

Hog numbers increased 22 percent last year in the Netherlands but all other classes of livestock declined, according to the May 1955 census published by the Central Bureau of Statistics.

Farm and meat trade organizations are greatly disturbed about the continued sharp increase in hog numbers. Export outlets are not expected to increase over 1954 and may even decrease, therefore the domestic market will have to absorb most of the surplus. In recent months wholesale prices of live animals have declined but retail butchers have increased their prices. The Ministry of Economic Affairs is looking into the unusual margins for marketing meat.

The number of hogs rose to an all-time high of 2.4 million head compared with 1.9 million a year earlier. The number of breeding sows showed an increase of 26 percent indicating further gains in numbers later this year.

During 1954-55 total cattle numbers declined 1 percent from 3,025,000 head in 1954 to 2,989,000 in May 1955. The decrease in milk cow numbers amounted to 3 percent. Horse numbers dropped 9 percent during the year and the number on farms in May 1955 was estimated at 220,000. Sheep numbers declined 7 percent and the estimated total on hand in 1955 was 407,000.

URUGUAYAN LARD SITUATION

Commercial lard output this year in Uruguay, including rendered pork fat, is running at approximately the same level as last year when an estimated 3.1 million pounds were produced, according to Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo. Although two of the leading packers' operations were sharply reduced this year their pork departments maintained normal hog kills and lard production.

Normally Uruguayan lard production meets domestic requirements, and the year 1955 should prove to be no exception. In some years small quantities of lard are exported. In 1954 about 157,000 pounds moved principally to Peru. Lard has never been an import item for export.

Should a small quantity of lard be available for export this year, it is doubtful that Uruguay would find any offshore buyers. Prices are above those of leading producer-exporters. The present wholesale price (Montevideo) for "pure" lard in 17 kilogram containers is 1.50 pesos a kilogram. At the present controlled exchange rate of 2.35 pesos to the dollar this price is equivalent to about 29 U.S. cents per pound, which is above the world price.

THE AUSTRIAN SYSTEM OF PRICE CONTROL OF PORK

The Austrian Chambers of Commerce, Agriculture and Labor have reached an agreement with the Government to employ a new system of automatic control of hog prices. The system of imports and exports of hogs is dependent upon the movement of central market hog prices. The central market hog prices are watched carefully so that they will not fall below a prescribed price floor. The adoption of the system is to regulate the supply on domestic markets in such a way that prices will fluctuate only within narrow limits.

In order to make the current price stabilization policy more effective, the government granted export licenses for as many as 14,000 live hogs and also in order to meet the competitive prices abroad it has granted refunds of part of the freight on shipments made abroad.

AUSTRALIA REDUCES DAIRY SUBSIDIES

The Australian Cabinet has decided to reduce the Federal subsidy to the dairy industry by 2.7 million dollars. For 1955-56, according to a report from James H. Boulware, Agricultural Attache, American Embassy, Canberra, the subsidy fund for dairy products will be reduced to \$32,625,000 from last year's amount of \$35,325,000.

The reduction reflects the attitude of the Government that supports must be lowered and the high-cost dairy farmers must produce more efficiently or discontinue dairying. In 1953 the Australian Bureau of Agricultural Economics conducted a survey that showed that the cost of producing one pound of butter varied from about 31 cents to 56 cents.

While the action of the Government received good editorial support from the Commonwealth's newspapers, the Australian Dairy Farmers Federation, the Commonwealth Dairy Produce Equalization Committee and the Australian Dairy Board led the attacks on the reduced subsidy. The farm organizations stated that the farmers should receive "cost of production" and indicated that the increased retail prices resulting from the lowered subsidy will encourage oleomargarine consumption.

THE AUSTRALIAN DAIRY SITUATION, 1954-55

Total Australian milk production is expected to create a postwar record of approximately 13.5 billion pounds for 1954-55. This has been attributed to a favorable season with extended rains and early flush pastures, and to an increase of 2 percent in dairy cattle numbers, according to a review of the Australian Bureau of Agricultural Economics.

Butter production for the year ending June 30, 1955 is forecast at 423.4 million pounds, compared with 358.4 million pounds in 1953-54. The previous postwar peak was 389.8 million pounds in 1949-50. There has been a change in production in Australia from cheese to butter manufacture, as a result of lower returns for cheese on the United Kingdom market. Fifty percent more butter will be available for export compared with 90.7 million pounds exported in 1954. Although average export prices are lower this year, total returns will be higher due to increased production.

Cheese production is expected to show a decline of 10 percent in 1954-55 to under 100 million pounds. The amount available for export will decline 12 percent from last year's figure. Although cheese production is declining, a large percentage of total production continues to be exported. Domestic prices remain unaltered, although foreign prices have weakened this season.

Production of all condensery products for 1954-55 is also estimated below last years' level. In 1953-54, 231.4 million pounds were produced, compared to 221.8 million pounds this year. Major decline has occurred in the production of concentrated whole milk. Exports this year are expected to be about 82.9 million pounds, which is a decline of 35 percent below last year's level. Exports of evaporated milk and powdered skim milk showed a slight increase. Domestic prices remain stable on all condensery products.

U. S. BUTTEROIL CALLED
"AMERICAN GHEE" IN INDIA

The gifts of butter oil to India (Foreign Crops and Markets, June 27, 1955) will allow for about 1 pound per person during a 3 months' period at present rates of distribution, according to a report from the American Consul General at Madras, India.

Over 1,000 welfare institutions distribute the butter oil throughout the whole of South India. Interior centers are serviced by the Assistant Director of the India Ministry of Food in the District as directed by the Archbishop of Madras-Mylapore, representing the Catholic Relief Services of the National Catholic Welfare Conference which is the agency distributing the gift from American government-owned supplies. Government hospitals and allied institutions in the southern states of Madras and Andhra receive supplies through the Director of Medical Services. Nonofficial recipients of the butter oil include leper asylums, orphanages, rice kitchens, schools and individual charity cases.

Mrs. Maria Buck, the American Director of Simpson's Medical Center in Madras, states that the butter oil, although plainly labeled, has been received with such approval that it is now known as "the American Ghee". Mrs. Buck maintains that this is a high accolade for the product since there was an early prejudice because of its yellow color, while Indian ghee is often pale pearly white in color. However, the high quality of the butter oil was conceded and the demand is for butter oil rather than local ghee. Mrs. Buck states that it is impossible to purchase local ghee of the quality of the American butter oil which is building up the low fat intake of the Indian diet in the area.

FRENCH DAIRY PRODUCTION
AND EXPORTS INCREASE

French milk production during the first 6 months of 1955 was almost 6 percent above the comparable period in 1954, according to Harold Koeller, Acting Agricultural Attache, American Embassy, Paris, France. The increased production of milk is tending to be absorbed in the manufacture of butter.

In spite of higher production, milk producers have complained that their income is considerably under 1954. A frequent complaint is that the so-called indicative price, a cost of production gauge, is seldom paid the farmer; producers are complaining that they are only being paid 80 to 90 percent of the summer indicative price which was set at \$2.80 a cwt. (See Foreign Crops and Markets, of May 23, 1955).

The dairy export fund of approximately \$14,000,000 (Foreign Crops and Markets, of May 9, 1955) has expanded dairy export trade to some extent. Butter exports at 11.3 million pounds are considerably above 1954 level. Cheese shipments of approximately the same amount are only slightly above the exports during January-June 1954. The industry hopes that this special fund will make further expansion of dairy exports possible. Because of the relatively high prices of French dairy product export subsidies are necessary with the possible exception of certain brands of French cheese.

FRANCE TRIES SWEDISH "TETRA-PAK"

On July 6 the French dairy industry started an experiment with fresh milk being offered for sale in the "Tetra-Pak"; an opaque paper container of Swedish invention and manufacture. Milk in the new containers appeared on the market in one liter and one-half liter capacities; according to Harold Koeller, Acting Agricultural Attache in Paris.

They are expected to prove more convenient for the housewife; since there is practically no home delivery service in the larger French cities. A possible detriment is in the slightly higher price charged for milk in these cartons. The "Tetra-Pak" method may also provide a solution to the problem of enforcing the decree which forbids the sale of bulk milk in cities of 20,000 or more inhabitants.

One disadvantage regarding the suitability of this Swedish method in warmer climates; such as France; is expressed by some who feel the acidity of the milk may react unfavorably on the coating used on the container.

Reims and Paris are the only two cities in which sales are currently being made.

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C O R R E C T I O N

In the table of World Butter and Cheese Prices in Foreign Crops and Markets of August 1, 1955; Page 121; the price given for Australian cheese should have been 25.7 cents. (Not 20.3 cents)

TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Brazilian-German Trade Negotiations Concluded. Announcement has been made in Brazil that a new trade agreement has been signed with the Republic of Germany. The agreement is understood to include plans for a "future multilateral area separate from the dollar area", with the former "agreement dollar" being replaced by the Deutsche Mark; a line of German credit to Brazil of DM 80 million; the creation of commercial commissions in Bonn and Rio; retention of the Mixed Brazilian-German Economic Development Commission to study problems of German investments in Brazil; and abolition of discriminations by both countries. Brazil has already implemented the last item by issuing an instruction ending export bonus differentials between the U. S. dollar and the German agreement dollar.

Trade between the two countries is expected to increase as a result of this agreement. Germany presently is the second most important supplier of Brazilian imports.

Honduras Revises Certain Tariff Rates. Substantial revisions in the 1955 tariff (promulgated April 15) on some 275 items went into effect on July 20, 1955. The rate of duty is lowered in most cases, although a few items will be subject to increased duties. The changes result from protests received from merchants and the general public following the new tariff law that raised tariffs in April of this year. The principal agricultural items involved in the current revision are evaporated milk, dried milk, and cigarettes. The April 1955 rates and the revised rates on these items in lempira per gross kilo (1 lempira = 0.50 U. S. dollar) follow:

	<u>April 1955</u>	<u>Revised</u>
Evaporated milk	0.60	0.20
Dried milk	0.80	0.20
Cigarettes	22.50	15.00

Imports from the United States covered by the 1936 Trade Agreement still receive the rates bound in that agreement (see Foreign Agriculture Circular FATP 8-55 of June 2, 1955). The first two of these items are in the Trade Agreement with the United States and bound to us at 0.15 lempiras per gross kilo.

Paraguayan Crops Damaged by Frost and Heavy Rains. Heavy rains and cold weather in June wiped out about one-fourth of the 1955-56 cotton plantings in Paraguay according to trade sources. Paraguay produced about 30 million pounds of cotton last year. Most of the crop is exported. Paraguayan cotton exports averaged about 21 million pounds during the marketing years 1946 and 1952. The frost has also caused extensive destruction of vegetables, fruits and mandioca in Paraguay and has done some damage to the coffee and sugar, but there is no immediate danger of a food shortage.

Forecast Drop in Argentine Agricultural Exports for 1955. Preliminary figures for the first 6 months of 1955 reveal a drop in Argentina's total agricultural exports from a year ago, largely due to a decline in exports of grains and oilseed products. Shipments of wool, meat and other livestock products, however, have held up well during the first half of 1955.

Exports of feedgrains were about 2.4 million tons (2204.6 pounds to the metric ton) for the first 6 months of the year, compared to 3.4 million tons in the same period of 1954. Wheat exports showed some gain by rising from 1.2 to 1.8 million tons and partly offset the decline in other grain exports, but because of the poor corn crop, the shortage of grain exports is expected to worsen during the remainder of the year. Exports of vegetable oils and oil meal were also greatly reduced from last year. Exports of these items, including grains, accounted for over 50 percent of Argentina's total agricultural exports by value in 1954.

NETHERLANDS PLANS TO SELL VEGETABLE OIL STOCKS

The Netherlands Government currently has stocks of 55,000 short tons of vegetable oils; according to the American Embassy, The Hague. These stocks consist of some 27,600 tons of coconut oil, 4,400 tons of whale oil and the remainder, small quantities of various vegetable oils. The Government plans to sell the stocks abroad, if opportunity arises, to Dutch exporters in small quantities at world market prices.

AUSTRALIA'S TALLOW EXPORTS UP; LINSEED OIL IMPORTS INCREASE

Australian foreign trade in fats and oils during 1952-53 and 1953-54 has been marked by a considerable increase in exports of tallow; reports James H. Boulware, Agricultural Attache, American Embassy, Canberra. Imports of vegetable oils, although quantitatively small, showed an increase as the result of increased industrial activity and the building up of stocks after depletion during the slight business recession in 1953. In some instances, such as in the case of linseed oil increased imports were also due to a decrease in local production.

Australia is deficient in the production of vegetable oils, but a net exporter of animal fats. Imports of vegetable oils and oil-bearing materials are mainly confined to linseed oil and copra, although a number of other oils and seeds are also imported in small quantities. Exports cover practically all edible and inedible animal fats, and have shown a considerable upward trend during the past few years. It is expected, however, that export for 1954-55 will be slightly lower as a result of increased local consumption and the falling away of some export markets for mutton tallow, such as India and Pakistan.

AUSTRALIA: Trade in specified fats, oils, and oil-bearing materials, year beginning July, 1952-53 and 1953-54

(Short tons)

Commodity	1952-53	1953-54
Exports		
Lard, edible.....	91	250
Dripping.....	1,768	1,760
Beef tallow, edible.....	3,878	6,306
Mutton tallow, edible.....	480	581
Beef tallow, inedible.....	4,069	9,118
Other tallow, inedible.....	20,024	37,015
Whale oil.....	16,900	20,118
Imports		
Tallow, inedible.....	1	1,595
Olive oil..... ^{1/}	1,181	2,473
Peanut oil..... ^{1/}	765	1,524
Castor oil..... ^{1/}	736	1,718
Cottonseed oil..... ^{1/}	13	41
Linseed oil..... ^{1/}	6,697	16,067
Tung oil..... ^{1/}	1,196	2,303
Hempseed, Rapeseed.....	60	168
Flaxseed.....	280	-
Copra.....	36,823	29,477
Peanuts shelled and unshelled.....	3,081	2,892

^{1/} Statistics exclude oils in vessels not exceeding one imperial gallon.

Source: Commonwealth Bureau of Census and Statistics

With increased slaughtering and good seasonal conditions production of tallow continued to increase, and total production in 1953-54 is believed to have been around 145,000 short tons. It appears that approximately 65 percent of the production is consumed locally by soap and candle and margarine industries with the remainder being available for minor industrial uses and exports.

Production of domestic vegetable oilseeds in Australia was about 24,500 tons during 1953-54 against 24,250 tons in 1952-53. Total oil output during 1954-55 is expected to be considerably higher than the 1953-54 quantity of around 2,600 tons. It appears that the increased acreages planted to oilseeds crops is largely due to the relatively low price presently received for wheat together with better price guarantees for some oilseeds either from the processors or the Government. Australia also produced about 30,000 tons of coconut oil in 1953-54 from copra imported from Papua and New Guinea.

Whale oil production appears to have reached the limit in 1953 and 1954 at approximately 19,000 tons. Catch quotas for 1955 of two whaling stations on the west coast of Australia have been reduced by 100 blue-whale units each in view of a noticeable depletion of herds in that region. Whaling companies hope to offset this quota loss by concentrating on larger whales, but it is unlikely that the increased yield would compensate for the 10-percent decrease in quota.

URUGUAY DECREES SUNFLOWER OIL PRICE

The National Council for Government in Uruguay issued a price control decree on July 13, 1955, establishing the maximum retail price for refined, edible sunflower oil at 1.50 pesos per liter (about 32.2 cents per pound at the official export exchange rate of 2.35 pesos per U. S. \$1.00) effective July 15, the date of publication in Montevideo newspapers, according to Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo.

The action came as a result of the Government's efforts to control the spiraling cost of living. Moreover, this measure was decided upon to control prices as an alternative action to a measure--considered earlier--to import lower priced substitute vegetable oils which would serve to "break" the high local prices.

Prices for sunflower seed and oil rose sharply following this year's short sunflower seed crop--74,960 tons, according to the first official estimate. (See Foreign Crops and Markets, July 4, 1955.) At the beginning of the harvest in March new seed sold for around 26.50 pesos per 100 kilograms, Montevideo delivery. In April, prices ranged between 27.00 and 28.00 pesos and in May, when it became clear that the crop was running smaller than earlier anticipated, the price rose to 30.00 pesos and has continued at that level to date. These prices were soon reflected in the higher price of sunflower oil, reaching 1.64 pesos per liter (35.2 cents per pound) retail, an increase of 32 centesimos (13.6 cents) over April and May levels.

CANADIAN FLAXSEED ACREAGE UP SHARPLY: SOYBEAN ACREAGE DOWN

Canada's 1955 flaxseed acreage is up from 1954 by 65 percent but soybean acreage is down by 16 percent according to official Canadian preliminary estimates released on August 5. This would indicate that flaxseed area is in the neighborhood of 1,989,900 acres against 1,206,000 acres in 1954 and that soybean area has dropped to 213,360 acres compared with 254,000 last year. Production last year was 11,238,000 bushels of flaxseed and 4,953,000 bushels of soybeans.

SWISS INCREASE PRICE SUPPLEMENTS ON IMPORTED FATS AND OILS

A Swiss decree of June 24, 1955, has provided for increased price supplements on imported edible fats and oils, effective as of July 1, 1955, reports the American Embassy, Bern. Neither consumer prices nor the interests of importers or manufacturers will be affected by the increases, however, due to a corresponding reduction of the storage and risk guarantees payable for obligatory stockpiling.

It is difficult to forecast with reasonable accuracy future consumption trends but the official Swiss view is that the new measures will not affect the volume of imports into Switzerland of either finished or semi-finished vegetable fats and oils or of the raw products utilized in their manufacture.

Rates of price supplements in Switzerland have fluctuated considerably since 1939. In that year, they were increased to make imports prohibitive in order to offset the farm crisis. After a lowering of rates during the war to increase stocks, the rates were increased in 1949 and again in 1955.

The rates of price supplements assessed on raw products to be crushed or refined in Switzerland depend in part on their acid content. For example, if raw coconut oil refined in Switzerland contained 6 percent fatty acids instead of 4, the firm which refined it may claim reimbursement on the 2-percent portion of the price supplements it paid at the time of importation.

Price supplements are collected by the Federal Cooperative Society for Grains and Feeds, a semi-official organization responsible to the Government in this matter.

ITALY AUCTIONS REFINED SEED OILS

The Government of Italy offered for auction on July 26, 7,385 short tons of refined oil, the last remaining Government stocks of refined seed oil, reports Earl S. Fox, Assistant Agricultural Attache, American Embassy, Rome. (See Foreign Crops and Markets, August 1, 1955.) Actual sales amounted to only 1,819 tons of which 1,543 tons was soybean oil and the remaining 276 tons was peanut oil. The soybean oil sold at approximately \$150.00 per metric ton (\$136 per short ton).

Bids were relatively few in number and prices were not high enough to satisfy Government officials. This reportedly was not the first time sales were small at the monthly Government auctions.

An auction will be held again in the latter part of August.

INDIA'S FLAXSEED PRODUCTION EXCEEDS EARLY EXPECTATIONS

Indian flaxseed production during 1954-55 amounted to 15,520,000 bushels from 3,290,000 acres, according to the final official estimate issued July 16. This is considerably larger than the early unofficial forecast of 12,800,000 bushels. The estimate of the 1953-54 crop was revised to 14,960,000 bushels from 3,360,000 acres.

The decrease in acreage has been reported mainly by Bihar, Madhya Pradesh and Uttar Pradesh due to unfavorable weather at planting time. The decrease in these states, however, was offset to a certain extent by the increase registered by Vindhya Pradesh and Hyderabad--due to favorable seasonal conditions.

In spite of an over-all decrease in acreage, output increased in all producing states except Bihar.

BENELUX - O.E.E.C. LIBERALIZATION IMPORT LIST INCLUDES CERTAIN FATS AND OILS

The Netherlands Ministry of Economic Affairs has announced that the Benelux ^{1/} nations have compiled a "Benelux liberalization list of imports from Organization for European Economic Cooperation (O.E.E.C.) countries", effective June 24, 1955, according to the American Embassy, The Hague. The goods listed therein from other O.E.E.C. countries will not, subject to certain conditions, be quantitatively restricted. Fats and oils, and related items, included on the list are fish oils, vegetable oils (excluding castor), and oilseed cakes. Lard, which was formerly liberalized, has been replaced on the restricted list as the Dutch are interested in preserving the domestic market for Netherlands production.

Under the export bonus dollar system, which was abolished August 1, goods in the newly liberalized categories have in the past been relatively freely imported into the Netherlands. The immediate practical effect of this change on the volume or composition of imports is thus likely to be negligible, according to the Embassy. The liberalization will, in the long run, permit traders to rely upon a more steady availability of these fats and oils in establishing markets and planning sales.

FINLAND LIBERALIZES TRADE IN CERTAIN OILS AND WAXES AND OILCAKE

The Finnish Minister of Trade and Industry announced several weeks ago that effective July 1, 1955 Finland would introduce an "automatic licensing" system under which about 40 percent of Finland's total imports would be liberalized, according to the American Embassy, Helsinki. However, the Minister emphasized that the removal of import controls would not extend to imports against payments in U. S. dollars.

^{1/} Belgium, the Netherlands, and Luxembourg.

Among the items liberalized were the following oil-bearing materials, oil and waxes: copra, seal and whale oil for industrial use, palm oil, palm kernel oil, hardened whale wax, wool grease and animal waxes, bees wax and carnauba wax, other insect and vegetable wax, and oilcake feed. The remainder of the fats and oils will stay under strict import controls.

U. S. TOBACCO EXPORTS
JUNE, 1955

United States exports of unmanufactured tobacco in June 1955 totaled 25.2 million pounds, valued at \$16.8 million, a 5.9 percent decrease over exports in June 1954 of 26.8 million pounds, valued at \$17.8 million. There were decreases in practically all types of tobacco with the exception of flue-cured, Black Fat and Trimmings, Stems and Scrap.

United States: Exports of unmanufactured tobacco
June 1955 and January-June 1955

Type	(Export Weight)					
	June		Percent Change	January-June		Percent Change
	1954	1955		1954	1955	
	1,000	1,000		1,000	1,000	
	pounds	pounds		pounds	pounds	
Flue-cured.....	17,911	19,590	+ 9.4	115,585	121,211	+ 4.9
Burley.....	3,703	1,683	- 54.6	16,662	15,236	- 8.6
Virginia fire-cured....	325	227	- 30.2	1,640	1,414	- 13.8
Dark-fired Ky-Tenn.....	2,788	2,090	- 25.0	9,669	10,794	+ 11.6
Maryland.....	938	415	- 55.8	3,760	3,203	- 14.8
Green River.....	36	12	- 66.7	871	1,727	+ 98.3
One Sucker.....	44	12	- 72.7	334	1,653	+ 394.9
Cigar Wrapper.....	453	286	- 36.9	1,540	1,763	+ 14.5
Cigar Binder.....	53	41	- 22.6	641	454	- 29.2
Cigar Filler.....	3	3	-	159	8	- 95.0
Other.....	530	842	+ 58.9	3,203	4,336	+ 35.4
Total.....	26,784	25,201	- 5.9	154,064	161,799	+ 5.0
Declared value						
million dollars.....	17.8	16.8	- 5.6	98.4	101.0	+ 2.6

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

Exports of flue-cured tobacco were 19.6 million pounds in June 1955, an increase of 9.4 percent over exports for June 1954 totaling 17.9 million pounds. Exports of flue-cured tobacco to the United Kingdom in June 1955 totaled approximately 5.0 million pounds compared with 2.1 million pounds in June 1954. Exports of flue-cured tobacco to West Germany increased about 6 percent in June 1955 (4.3 million pounds) compared with 4.0 million pounds for the same month last year. There were increased shipments of flue-cured tobacco to Norway, Ireland, Belgium and Luxembourg, India and the Philippines.

Exports of unmanufactured tobacco for the January-June 1955 period totaled 161.8 million pounds - an increase of 5 percent over the 154.1 million pounds shipped abroad during the same period last year. Exports of flue-cured tobacco for the first 6 months of 1955 totaled 121.2 million pounds, an increase of about 5 percent over the 115.6 million pounds exported during the January-June 1954 period. There were increases in exports of dark-fired Kentucky-Tennessee, Green River, One Sucker and Cigar Wrapper.

United States: Exports of Tobacco Products June 1955
with Comparisons

Product	June		Percent Change	January-June		Percent Change
	1954	1955		1954	1955	
Cigars and Cheroots						
(1,000 pieces).....	791	431	- 45.5	4,659	2,601	- 44.2
Cigarettes (million pieces)	1,310	1,275	- 2.7	7,773	7,451	- 4.2
Chewing Tobacco Snuff						
(1,000 pounds).....	126	92	- 27.0	804	652	- 18.9
Smoking Tobacco in						
packages (1,000 pounds)...	43	44	+ 2.3	294	276	- 6.1
Smoking Tobacco in bulk						
(1,000 pounds).....	218	400	+ 83.5	1,799	2,809	+ 56.1
Declared Value						
(Million Dollars).....	5.3	5.0	- 5.7	31.1	31.0	- .03

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

Exports of tobacco products, valued at \$5 million were about 6 percent lower in June 1955 than for the same month last year. There were increases in exports of smoking tobacco in packages and bulk. Exports of all other kinds of products decreased.

Export valuation of tobacco products, at \$31 million was practically the same for the January-June 1954 and 1955 period. There were decreases in exports of all products for this period with the exception of smoking tobacco in bulk.

TOBACCO PRODUCTION IN THE NORTHERN HEMISPHERE, SECOND HALF 1955 1/

Total production of tobacco for harvest in the second half of calendar year 1955 in specified countries of the Northern Hemisphere is estimated at 5.79 billion pounds; about 1.4 percent above the 1954 output in the same countries.

The largest increases in production as compared with 1954 are expected in China, Greece, and Turkey; but significant increases are also expected in Yugoslavia, Iran, and Korea. Smaller crops than in 1954 are expected in several countries with the greatest declines reported in Canada, France, and Italy.

A substantial drop in total production of Burley tobacco in the Northern Hemisphere is forecast for 1955 as compared with 1954; while flue-cured and oriental tobacco will probably show relatively large increases. Output of dark air-cured and light sun-cured will probably be slightly higher than in 1954.

North America

The 1955 tobacco crop in the United States is estimated at 2.24 billion pounds. This is slightly above the 1954 harvest in spite of a total acreage reduction of almost 9 percent.

The 1954 Canadian crop is estimated at about 142 million pounds as compared with an output of 184 million in 1954. Almost all the decline comes as a result of action by the Ontario Flue-Cured Tobacco Marketing Association to reduce flue-cured tobacco acreage in that Province.

Output in Puerto Rico at 34 million pounds is almost equal to the 1954 harvest in spite of a 10-percent reduction in acreage.

Europe

Tobacco production in Western Europe is estimated at 605 million pounds and is approximately the same as last year. Acreages in Greece, Yugoslavia, and Spain are above last year and reflect a continuing upward trend in these areas. Output in Greece is estimated at 175 million pounds, 17.5 percent above last year. The 1955 Yugoslav production is placed at 72.8 million pounds and is 13 percent above 1954. The French tobacco crop is estimated at 105.3 million pounds; a decline of 21 million as compared with 1954, when unusually favorable weather conditions resulted in record yields and output. Acreage declines in Italy, Germany, and Belgium are expected to result in smaller crops this year than in 1954.

1/ Includes production in the specified countries indicated in which tobacco is harvested in the second half of the calendar year.

Africa

Tobacco for harvest in the second half of calendar year 1955 in Africa is estimated at 48.5 million pounds, slightly above the 1954 crop. Output in Tunisia is expected to total 3.3 million pounds and is 19 percent above last year. Output in Algeria is expected to be about the same as in 1954 when 40.6 million pounds were harvested.

Asia

An increase in the estimate of China's total production of about 6 percent to 1,425 million pounds was the major factor raising Asia's total 1955 output to 2,054 million pounds, an increase of almost 117 million pounds or 6 percent as compared with 1954. Output in Turkey is estimated at 237 million pounds, an increase of 10 percent as compared with the 1954 harvest. Larger crops are forecast for Iran, Korea, and Syria, while little change is anticipated for Japan.

Leaf Tobacco: Estimated production by kind, harvested in the second half of calendar year 1955 with comparisons - farm sales weight 1/

Kinds	Average		1954 <u>2/</u>	1955 <u>2/</u>
	1935-39	1947-51		
	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Flue-cured	1,176,784	1,745,194	2,030,746	2,167,498
Burley	338,343	599,902	735,375	576,721
Other light air-cured	97,384	103,216	106,043	106,505
Light sun-cured	550,283	606,590	554,796	581,182
Dark sun-cured	108,957	142,617	111,520	117,540
Dark air-cured	1,358,323	1,393,004	1,314,557	1,324,040
Fire-cured	143,948	122,082	85,056	84,397
Oriental	648,184	724,321	768,873	827,956
Total	<u>3/ 4,430,263</u>	<u>4/ 5,448,654</u>	5,706,966	5,785,839

1/ Farm sales weight is about 10 percent above dry weight normally reported in manufacturing and export statistics. 2/ Preliminary. 3/ Includes 8,057 thousand pounds for Iraq, not identified by kind. 4/ Includes 11,728 thousand pounds for Iraq, not identified by kind.

JAPAN INTERESTED IN PURCHASING U. S. COTTONSEED

Japanese oilseed processors are interested in purchasing U. S. cottonseed, according to information available to the Foreign Agricultural Service. They are not interested, however, in cottonseed oil. The Japanese do not want semi-processed or processed commodities but raw materials with which to meet the operational requirements of their industries. (See Foreign Agriculture Circular FFO 14-54 entitled "The Fats and Oils Situation in Japan", August 20, 1954).

CANADA SELLS BUTTER TO CZECHS

The Economist, weekly magazine of London, has verified the commitment of Canada to subsidize the export of 314,000 pounds of unsalted butter to Czechoslovakia; the butter would be sold at 19¢ a pound less than domestic sales or about 42¢ a pound. The sale to Czechoslovakia is believed to be an exploratory one in the search for a means of reducing the surplus, currently estimated at about 20 million pounds.

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PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Issued recently and available upon request
from the Foreign Agricultural Service, U.S.
Department of Agriculture, Washington 25, D.C.

World's 1954-55 Grain Exports Under 1953-54 Level. Foreign Agriculture Circular FG 18-55.

Marketing Poultry Products in Specified Latin American Countries. Foreign Agriculture Circular FPE 9-55.

Short Mediterranean Almond Crop Forecast. Foreign Agriculture Circular FN 8-55.

Programs for Stimulating Farm Exports from Sweden. Foreign Agriculture Circular FATP 24-55.

Coffee and the Brazilian Economy. Foreign Agriculture Circular FCOF 8-55.

Miscellaneous Tobacco Developments. Foreign Agriculture Circular FT 39-55.

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L A T E N E W S

Trade sources estimate the 1955-56 citrus crop in Israel at 11 to 11.5 million boxes; compared to 9.7 million last season; and exports at 8.5 to 9.2 million boxes compared with 7.1 million last season. They expect to double exports to the U. S. S. R. and the Republic of Germany this season.

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L A T E N E W S

Effective August 4, 1955, the Government of India reduced the export tax on cotton not exceeding 25/32-inch staple to 50 rupees per bale (equivalent to \$10.43 per bale of 392 pounds net, or 2.66 U. S. cents per pound). This is a reduction of \$15.66 per bale, or 3.99 U. S. cents per pound, from the previous tax of 125 rupees per bale, and represents the lowest export tax in India since the period January 20, 1948, to November 18, 1949, when the tax was 40 rupees per bale, or 2.13 U. S. cents per pound.

